REPORT

OF THE

PROCEEDINGS OF THE

MADRAS CHAMBER OF COMMERCE.

JANUARY TO DECEMBER

1879.

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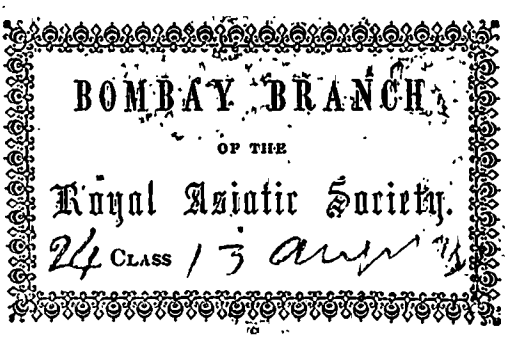
MADRAS:

PRINTED AT THE "MAIL" PRESS, BY J. J. CHAEN.

1880.



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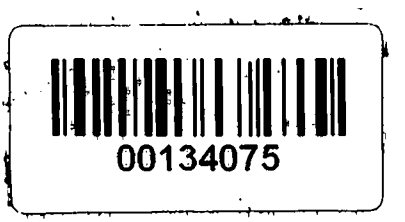
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THE MADRAS CHAMBER OF COMMERCE.

Established 29th September 1836.

Members—December 1879.

Sir W. W. ARBUTHNOT, *Bart.*
Mr. G. G. ARBUTHNOT,
Mr. J. W. ARBUTHNOT,
Mr. C. A. ARNSLIE, (*Europe.*)
Mr. J. H. ASPINWALL, (*Cochin.*)
Mr. F. T. ATKINS,
Mr. A. V. D. BEST,
Mr. J. A. BOYSON,
Mr. A. F. BROWN, (*Europe.*)
Mr. H. BILL, (*Europe.*)
Mr. T. BLAIKIE, (*Europe.*)
Mr. J. R. BOYD, (*Europe.*)
Mr. G. CORNET,
Mr. H. DE CLOSETS,
Mr. T. CROYSDALE,
Mr. J. FORTUNE, (*Europe.*)
Mr. T. E. FRANCK,
Mr. W. GORDON,
Mr. A. DE GUIGNE,
Mr. S. D. GRANT, (*Europe.*)
Mr. GEO. JACKSON, (*Europe.*)
The Hon'ble P. MACFADYEN,
Mr. A. MACKENZIE,
Mr. A. R. MAUDE,
Mr. W. L. MILLAR,
Mr. W. W. MUNSIE, (*Europe.*)
Mr. D. RASBOTHAM,
Mr. W. SCOTT, (*Europe.*)
Mr. C. SIMPSON, (*Europe.*)
Mr. J. C. SHAW,
Mr. J. STIVEN,
Mr. L. STRANGE,
Mr. T. A. TAYLOR,
Mr. S. R. TURNBULL,
Mr. W. WALKER,
Mr. R. C. WALKER,

Retiring Committee 1879.

The Hon. P. MACFADYEN, *Chairman.*
Mr. R. C. WALKER, *Vice do.*
Mr. A. V. D. BEST,
Mr. J. A. BOYSON,
Mr. J. C. SHAW,
Mr. L. STRANGE,
Mr. W. GORDON,
} *Committee.*

Committee for 1880.

The Hon. P. MACFADYEN, *Chairman.*
Mr. R. C. WALKER, *Vice do.*
Mr. A. V. D. BEST,
Mr. L. STRANGE,
Mr. W. GORDON,
Mr. J. A. BOYSON,
Mr. J. C. SHAW,
} *Committee.*

Messrs. BINNY & Co., *Treasurers.*

Mr. C. A. LAWSON, *Secretary.*

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REPORT.

THE FAMINE COMMISSION.

THE Chamber, in common with other associations and with numerous officials, were invited to offer their views on the points raised in a Memorandum drawn up by the Famine Commission. The speculative character of the enquiries contained in this document did not escape the Chamber's notice, and there was some divergence of opinion among the Members regarding some of the points; but the Commission were furnished with the facts that were generally accepted by the members as beyond dispute. The Chamber held that had the purchase of grain by Government been continued, prices would have been raised excessively, and private trade would have been paralysed; that private trade imported grain far in excess of what all the railways and carts could carry away; that any measures calculated to check the enterprise of the boatmen could not be recommended; and that no special legislation was required for the control of pauper immigrants. The Chamber availed themselves of this opportunity to direct attention to the arbitrary allotment of railway waggons for the conveyance of grain into the interior during the famine. The Chamber impressed upon the Commissioners, that no activity of imports to the seaport towns could suffice to meet scarcity of grain in the interior, unless it was seconded and supported by facilities of transport; and that these two important factors of supply, import by sea and transport by rail or road, must work together to ensure efficiency. They therefore suggested that waggons should

be allotted either to the different importers in proportion to their actual importations, or by daily registration.

THE APPROPRIATION OF FAMINE TAXES.

The Chamber memorialised the House of Commons on the subject of the appropriation for the general purposes of the country of the Imperial Licence Tax that was raised in 1878-79 to form a provision against future famine. They remarked that they had protested at the time of its imposition against the unequal incidence of this tax in different parts of India, as well as against the exemption from its operation of Government officials and the professional classes; they quoted the pledges that were made by the Viceroy and Finance Minister in March 1878 as to the tax being raised for the purpose of providing an insurance against famine and for no other purpose whatsoever; they protested against these obligations being ignored, and expressed their conviction that any Bank or Public Company which ignored solemn pledges given to its shareholders in the same way as the Government of India had broken faith with the tax-payers, would forfeit all claim to public confidence. They dwelt on the injustice of the trading and agricultural classes being further burdened with a tax of unfair incidence, the proceeds of which were avowedly not being applied, as was promised, to the creation of a famine fund; and they urged that the present condition of the finances of India called for the grave consideration of Parliament.

THE IMPERIAL LICENSE TAX.

The Chamber re-directed the attention of the Local Government to the injustice of levying a rate of License Tax from the trading classes in this Presidency which was out of all proportion to the rate imposed on similar classes of the community in other parts of India; and expressed their opinion that the time had arrived when

the review of the working of the Tax, promised last year by the Secretary of State, should be made. The Chamber again referred to the fallacy of the Finance Minister's argument in favor of an exceptionally high rate of taxation for Madras, namely, that the traders of this Presidency had made exceptionally large profits out of the rice trade during the famine; and they expressed their hope that the Madras Government would make such a revision of the schedule of the License Tax Act as was called for. In reply the Chamber were informed by the Madras Government "that the subject will receive full consideration in due course."

THE ASSESSMENT OF LICENSE TAX.

A question was raised as to whether the calculation of two per cent. on annual nett earnings, or profits, referred to in the Madras License Act, was to be made upon the nett profits for the preceding twelve months, *i. e.*, for the year 1878. References having been made to the Bengal and Bombay Chambers, it was ascertained that in Calcutta there had been no ruling upon the question; and that in Bombay, assessments were made ordinarily on the profits of the past year, though exceptional circumstances during the current year were not lost sight of. The Chamber thereupon asked the Board of Revenue to instruct the Collector to see that in all cases where profits are contingent on circumstances which it was impossible to estimate with certainty, assessments should be made only on actual results of past business transactions, or, in other words, on the profits of the past year. The Board in reply furnished the Chamber with a copy of an Order of Government, stating that it was incumbent upon the classifying officer to satisfy himself as to the probable nett earnings of the individual on an average, judging from his apparent present position, and recent ostensible dealings; and that the year preceding

that of taxation was the most recent evidence that could be adduced, and might often be sufficient for basing a decision; but existing circumstances might warrant a modification. The Chamber then pointed out to the Board that as the Act referred to "annual nett earnings or profits" on which assessment may be made, the instructions given to the Collector were not strictly in accordance with the Act. The Board did not concur with this view, but held that the intention of the Legislature was that the tax should be levied with reference to the present circumstances of the parties, and therefore that it would be wrong to take the results of the past year's transactions as the sole guide. The Board therefore declined to modify the instructions referred to.

THE TRADES AND PROFESSIONS TAX BILL.

The Chamber offered some observations to the Madras Government upon the Trades and Profession Tax Bill of the Government of India. The Chamber deprecated the proposed publication by Government of information which was given to them in a confidential form; they disapproved of the sections which threw upon private employers the burden and responsibility of collecting the tax from their servants; they indicated the unsystematic and inequitable incidence of the proposed taxation; and they submitted that as the Bill virtually imposed an Income Tax on Trades and Professions, and permitted the escape of some of the wealthiest classes in the country, they would prefer a general Income Tax to the present scheme.

[The Bill, which met with general public disapproval, was withdrawn by the Government of India early in 1880.]

THE REMISSION OF COTTON DUTIES.

The Chamber memorialised Parliament against the remission by the Government of India of a further portion of the import duties on cotton goods, whereby, at a time

when the exchequer was exhausted, upwards of £200,000 was sacrificed. They objected to this attempt to benefit Manchester at the expense of India, for they considered that the reasons for retaining the duties outweighed all theoretical considerations regarding the ultimate benefit of a repeal of the duties, whether to India or Lancashire. It seemed to them unreasonable that the Home Government should exercise the power of directing the Indian Government to sacrifice certain items of revenue without, at the same time, providing that Government with the means of making good the deficiency from other sources. They accordingly prayed that no further remission of cotton duties may be authorised by the Home Government without recommendation from the chief mercantile bodies in India, and the sanction of the Government of India.

THE MASTER AND SERVANT BILL.

In May 1878:—

The revised draft of this Bill having been submitted to the Chamber for their opinion, the Chamber reported that while the revised Bill was an improvement on the original, they could not admit the necessity for any legislation on such a question. The Bill was inapplicable to Hindoo, Mahomedan and Budhist masters, and the Chamber failed to see on what principle the operations in establishments, or on estates, owned by Natives should be placed on a different footing to those in similar concerns owned by Europeans. The Chamber, while deprecating legislation for the settlement of disputes between domestic servants and their European masters, reminded the Government, however, of the necessity of some Act for defining the respective responsibilities of master and servant on coffee and other estates. In Ceylon, Mauritius and elsewhere, laborers who have resorted thither from India are subjected to rules or ordinances designed for the ultimate welfare of all parties concerned; but in India, which has even greater need than the colonies to foster planting and industrial enterprise, laborers and artizans, are practically free from magisterial control.—*Ann. Rep.* 1878.

In December 1878, the Madras Government forwarded the Chamber's letter with other papers to the Government of India, and expressed their own opinion that there was no question which needed more delicate handling than the relation between employers and servants, especially domestic servants, or a more thorough understanding of every local usage and custom, before any legislation was adventured;

and that there was no class of cases in which complaints were so frequently hasty and exaggerated as those relating to alleged misconduct in service; while there were none in which the law had less power for good. This Government, therefore, trusted that the measure in question would not be carried further. The Bill was not proceeded with during 1879.

THE REGULATION OF LABOR IN FACTORIES.

The draft of a Bill of the Government of India to regulate labor in Factories was forwarded by the Madras Government for the opinion of the Chamber. The Chamber pointed out in January that at present the opportunities for applying a Factory Act in India are very few, for beyond cotton-spinning and weaving and the manufacturing of gunny bags, few branches of manufactures exist to which such an Act could be applied. The Chamber considered that as the industrial manufactures are as yet in their infancy in India, the Government should foster in every manner possible attempts to produce locally articles which now have to be procured from other countries. They suggested that as, so far as this Presidency was concerned, the introduction of the proposed Act would be somewhat premature, it should be left to the discretion of the local Governments to make it operative in their respective Presidencies. They feared that the Act could not be introduced without a serious check to the development of new-born industries in the country. The Bill was subsequently revised by a Special Committee of the Viceregal Legislative Council, and several of the suggestions of the Chamber were adopted. The amended Bill was published in November, but it had not become law at the end of the year.

THE REGISTRATION OF NATIVE PARTNERHSIPS.

The Chamber reminded the Madras Government that in 1867 they had urged the necessity of some measure

for making the registration of native partnerships compulsory under penalties. At that date the Bombay and Bengal Chambers of Commerce, and a considerable number of native Bankers and Merchants in the former Presidency were unanimous in asking the Government of India to legislate in this direction, and the Governor-General in Council was led to observe "that a measure requiring the registration of partnerships might now be introduced to the Council with a reasonable prospect of its ultimate adoption, provided it were confined to purely commercial partnerships, and if its operations were limited, at all events in the first instance, to the Presidency towns." But the Government did not proceed with the measure which seems to have been contemplated. The Chamber therefore expressed their hope that the question might be reconsidered by the Government of India. Eventually the Chamber were informed that the Government of India were anxious to give their best consideration to any practical proposal that could be made for effecting the proposed registration, and at the same time avoiding interference with the Indian custom whereby members of Native firms often belong to undivided families.

THE MERCHANT SHIPPING BILL.

In 1878:—

The object of this Bill is "to prevent the departure of unseaworthy ships from British India, and to appoint Health Officers at the several Indian ports." In reporting on the Bill, the Chamber suggested some verbal alterations, whereby there might be no possibility for doubt about the applicability of the enactment to native vessels, and pointed out the injustice of including in the meaning of the word "owner" any agent to whom a ship was consigned. The Act throws such severe and, as the Chamber think, inequitable responsibility upon Agents in India that the Chamber urged that a proviso should be inserted in the Bill setting forth that the Government will hold an Agent responsible only to the extent of such funds of the owner as he happens to hold, and that should such funds prove insufficient to discharge the claims, the remedy of the Government shall be on the owner's property, whether in the Agent's hands or not, and not on the Agent personally. The Chamber further pointed out the difficulty there would be in working the Act at the various small outports throughout India, through the possible absence

of officials of sufficient intelligence to understand and carry out the provisions of the Act.—*Ann. Rep.* 1878.

The Madras Government informed the Chamber in April 1879 that as it appeared to them that practically the responsibility of the agent would be *nil*, they were not disposed to agree with the Chamber. They, however, saw no objection to limiting the agent's liability to the property as well as the funds. The Chamber's objections were then referred to the Government of India and in October the Chamber, having considered the amended draft of the Bill, expressed to the Government their gratification that the obnoxious clauses regarding the responsibilities of ship agents had been omitted. They added that the Bill now seemed well adapted for the purposes for which it was intended.

PROBATES AND LETTERS OF ADMINISTRATION.

In November 1872, and again in January 1873, the Chamber addressed the Madras Government on the subject of the limitation of the Probate Jurisdiction of the various Courts. In March 1875 the Government of India passed the "Probate and Letters of Administration Bill," which Act provides that Probate and letters of administration may be granted by a High Court of any Presidency, on special application, with effect throughout British India, but not to be operative in Mysore, Coorg, or territories of independent States. Under the Administrator General's Act, special provision is made for the issue to an Administrator General of letters of administration operative in the Provinces of Mysore and Coorg. Where a person dies leaving property in Mysore and Coorg as well as in British India, his private executor or administrator must take out separate Probate or letters of administration in Mysore and Coorg, in addition to the probate or letters of administration issued by the Presidency High Court for operation in British India, and the estate must endure additional expense in consequence; whereas in cases where an estate is left to the Administrator General, the one grant of Probate or letters of administration by a Presidency High Court can be made effective for the whole of the property. The Chamber thought it only reasonable that a similar privilege to that given to the Administrator General should be granted to a private executor or administrator, and made a recommendation to this effect to the Government. The Chamber pointed out the difficulty experienced in practice in obtaining letters of administration for property situated partly in British India and partly in Native States, and the Advocate General expressed an opinion that the Chamber's request was a fit one for the consideration of the Legislative Department of the Government of India. The Madras Government accordingly forwarded the papers relating to this subject to the Government of India.—*Ann. Rep.* 1878.

In May the Chamber were informed that the Government

of India had considered their proposal to extend the currency of Probates and Letters of Administration granted by a High Court, so as to make them valid without and beyond the Indian dominions of Her Majesty; and that, the Government saw no present necessity for amending the law in the manner proposed. The Government of India pointed out that the amendment proposed by the Chamber would give private Executors and Administrators the same facilities in taking out Probates as are enjoyed by the Administrator-General, and would tend to facilitate the practice of agency houses charging a commission for administering to estates, which it was the object of the Government to prevent. The Government held that under Section 56 of Act II of 1874, this practice constituted a direct breach of the law, and they considered it to be punishable under the Penal Code. Further, the levy of commission in such cases was, in their opinion, prejudicial to the system which makes the office of Administrator-General self-supporting. To this the Chamber replied by expressing their disinclination to admit, without some authoritative ruling of a Court of Law, that the practice could be considered a breach of the law, or an offence punishable under the Penal Code; and, in support of their view, they quoted the opinion of Mr. T. H. Cowie, formerly Advocate-General of Bengal, who held that to make the taking of commission a criminal breach of trust it would have to be shown that the commission was misappropriated with the intention of causing loss by unlawful means to the persons interested in the estate.

MERCANTILE HOLIDAYS.

In 1878:—

The Chamber called the attention of the Madras Government to the fact that much difference of opinion exists as to the legal effect on the rights and responsibilities of parties to "term" contracts, and of holders and drawees of negotiable instruments, of a Government notification declaring a certain day, or a certain term of days, general holidays. The same doubt was felt about the legality of the holidays fixed upon by this Chamber. It appears that the Chamber's holidays, on being adver-

tised in the *Gazette*, are, in virtue of the order of Government of 14th February 1853, kept as complete holidays at the Custom House, in addition to Her Majesty's birthday, Christmas day and New Year's day. In the absence of an enactment the legality of any of these holidays is open to question, and in the case of charter-parties and presentation and payment of bills-of-exchange, serious difficulties might arise with parties who declined to be bound by holidays which could not be legally enforced. The Chamber, therefore, suggested that the Government should take the question into consideration, and pass an Act, if necessary, for declaring such holidays as might be agreed upon, in concert with the commercial community, to be legal mercantile holidays, in the same manner as was done by the Bank Holiday Act in England.—*Ann. Rep.* 1878.

In February 1879 the Chamber were informed by the Madras Government that they were not prepared to move in the direction suggested by the Chamber. No further action was taken in this matter in the year under report.

THE PROPOSED ABOLITION OF NIGHT TRAINS.

The Chamber learnt in September that the Madras Government were considering the expediency of abolishing the night service on the Madras Railway, in the hope of diminishing the cost of working the line. The Chamber strongly deprecated so retrograde a step. Having indicated to the Government some directions in which economy in expenditure might be effected, they expressed their opinion that the stoppage of night trains would tend to diminish traffic and receipts. They argued that a policy of railway management which would be considered unenterprising and unbusiness-like in England cannot be reasonably expected to answer in India. They hoped that the experiment of trying to make the Madras public do with fewer conveniences for railway travelling than exist at present might not be attempted. They urged that the Madras Railway was constructed not primarily that it might prove a financial success, but that it might open up the resources of the Presidency, and bring it within quick and easy communication with the rest of the Empire; and that as its creation was part of the price which India had to pay for the benefits of English rule, its working must not be regarded solely from the point of view of dividend. This representation

of the Chamber's views is believed to have had the desired effect of inducing the Government to abandon their scheme.

THE VALUE-PAYABLE SYSTEM ON RAILWAYS.

The Director-General of the Post Office of India favored the Chamber with a copy of a Memorandum relative to making the value-payable system applicable to goods transmitted by Railway, his object being to enable the consigner to make the delivery dependent upon the payment by the consignee to the Post Office at the delivery station of the value of the goods. The Chamber while admitting that the plan might be convenient to tradesmen, informed the Director-General that they doubted whether a public office should undertake any of the risks and responsibilities that would be inevitable in connection with the charge of goods, perishable or otherwise, for which payment might not be forthcoming when delivery was offered. The Director-General, in another Memorandum, expressed his opinion that the risks referred to by the Chamber could be easily avoided. At the same time he said that as it seemed to be doubtful whether the plan would be practically useful without either a large reduction of the proposed rate of commission, or the acceptance by the Post Office of work and responsibility in connection with the delivery of the goods, he was not prepared to proceed with the scheme.

THE BELLARY-HOSPETT RAILWAY.

In February the Government of India ordered that the scheme for constructing a railway from Bellary to Hospett, 38½ miles, on the 5½ feet gauge (such line to be worked by the Madras Railway Company free of charge to the State, the Company paying all working charges and retaining the gross receipts,) should be held in abeyance until such time as it could be taken up with the Carwar Railway system, of which this short length formed

an outlying section. The Madras Government were, however, in favor of the completion of the Hospett branch as an unfenced line for slow goods traffic during fair weather, for they considered that this utilisation of the work which had been executed by famine labour, would form a valuable feeder to the Madras Railway before the railway system was extended to the West coast. The Chamber expressed their belief that the trade which already existed would be stimulated by the opening of the railway, more especially if the Tungabhadra river were bridged, and the Madras Railway thus put in communication with the large cotton traffic in the neighbourhood of Copul. But the scheme was not proceeded with by the Government on the ground that Provincial funds could not be spared for the purpose. The Chamber observed that the Dhond and Momund line, which was a famine work, had been completed and opened for traffic, and that a line from Sholapore to Dharwar had been sanctioned, if not actually commenced. They therefore enquired of the Government how it was that while funds could be found in the Bombay Presidency for works of this character, they were refused for works of equal importance in this Presidency.

THE REGISTRATION OF SALT WAGGONS.

With reference to a report by the Traffic Manager of the Madras Railway Company on the subject of the registration of waggons for salt at the Salt Cotaurs, the Chamber informed the Consulting Engineer that they regretted to see any impediment thrown in the way of any traffic on the Railway; and to learn that the change introduced by the Traffic Manager had caused considerable inconvenience to salt merchants.

DEPARTURE OF THE MAILS FROM BOMBAY.

The Chamber were consulted by the Director-General of the Post Office of India, on a proposition that, under

the new P. & O. contract for the conveyance of the Indian mails between Bombay and Brindisi, the mail steamers should leave Bombay at 2-30 P. M., on Saturdays in the fair season, and at 5-30 P. M., on Thursdays in the monsoon time, an arrangement that would necessitate the despatch of the overland mails from Madras on Thursdays and Tuesdays respectively. The Chamber informed the Director that those mail days would meet the convenience of the mercantile community of Madras. The Director having afterwards stated that India required a fixed day of departure for the Mail from Bombay, and that Friday evening had been selected as the date of departure, the Chamber informed him that that day would also suit local requirements.

THE SYDNEY EXHIBITION.

In reply to an enquiry from Dr. Bidie, the Suprintendent of the Government Central Museum, Madras, as to the propriety of sending to the Exhibition a select collection of commercial products, with the object of promoting trade between Southern India and Australia, the Chamber stated that they approved of his suggestion, for, though the trade between India and Australia is at present on a very limited scale, they saw no reason why it should not be capable of considerable development.

IMPRESSED STAMPS.

The Government of India having expressed their opinion that, in the interests of the Stamp revenue, it was desirable to promote the use of counterfoil stamped forms for such documents as Promissory Notes payable on demand, Brokers' Notes, Delivery Orders, Shipping Orders, Proxies, Receipts, Cheques and other documents on which the stamp is one anna, and the Chamber having been asked to report on the experiment proposed, stated that they saw no objection to the use of impressed stamps on the documents referred to. In reply to a second reference,

the Chamber informed the Government that they saw no objection to the use of counterfoil impressed stamped forms, though they had not much faith in its improving the stamp revenue.

THE HOURS FOR LANDING GOODS.

The Chamber brought to the notice of the Collector of Sea Customs the great inconvenience caused by an order from his office that all discharge of boats at the Pier was to cease at 6 P. M., and recommended that the Master Attendant should be instructed to hoist a recall-signal at 5-30 P. M., that shipmasters be required to order off all boats from alongside their ships immediately the signal was hoisted, and that all boats so ordered off should have the right of discharge at the Pier that evening. Some correspondence ensued, which resulted in the Government directing that goods might be landed either on the beach, or at the pier, at any time between 6 A. M. and 6 P. M., provided that goods so landed after the Custom House closes remain at the risk of those concerned; that passengers might be allowed to land at the pier up to 9 P. M. with a portmanteau and hand-bag, a Custom House officer being appointed to pass such baggage between the hours of 5 and 9 P. M.; and that goods imported by contract mail vessels might be discharged at the pier up to 9 P. M. on Sundays and holidays, as well as on ordinary week days.

THE HOURS FOR SHIPPING GOODS.

The Collector of Sea Customs suggested to the Board of Revenue that it should be ruled that goods, &c., might be shipped only from 6 A. M., to 6 P. M., but that he might at his discretion extend the time for the shipping of goods, &c., from the Pier on good cause for granting the extension being shown. The proposal was submitted by the Board to the Chamber, who stated that if boats were allowed to leave the Pier and shore up to 5 P. M., the

arrangement would meet all the requirements of trade under ordinary circumstances. At the same time they considered that the Custom House officials and the Master Attendant should have discretion to depart from this fixed rule on good cause being shown.

THE INTERNATIONAL TELEGRAPH RULES.

The attention of all the Chambers of Commerce in the East was invited by the Bengal Chamber to a scheme of the Eastern Telegraph Company, by which it was proposed to issue an authorised code of 50,000 words, selected from the English, French, German, Latin, Italian and Hindustani languages, and to apply a single rate for each word in this code, but a double charge for any words other than those contained in the code. The adoption of this scheme, it was perceived, would render all present commercial codes useless, and subject merchants to the inconvenience, annoyance, and expense of preparing new ones. This Chamber therefore addressed the Director-General of Telegraphs on the subject, and expressed their opinion that as the present system, which had been adopted at the suggestion of the late Director-General of Telegraphs in India had worked well they hoped it might be allowed to continue in force.

The Bombay Chamber memorialised the Government of India on the subject of the new rules passed by the London Telegraph Conference, and this Chamber informed His Excellency the Viceroy that that memorial met with the cordial support of the members of their Chamber. On the 31st December this Chamber were informed that the Government of India greatly regretted the inconveniences anticipated by the mercantile community from the alterations and restrictions now introduced, but they were not prepared to oppose the conclusions arrived at by the International Telegraph Conference.

OVERLAND POSTAGE.

This Chamber supported a representation that was made by the Bombay Chamber to the Director-General of the Post Office of India, regarding the anomalies existing in the rates of postage chargeable in India upon letters and newspapers addressed *viâ* Brindisi to the United Kingdom, compared with the rates charged on letters and newspapers addressed *via* Brindisi to the Continent of Europe and America. The Director-General explained to the satisfaction of the Chamber the necessity for the higher scale of charge.

THE NEW MADRAS POST OFFICE.

In January the Chamber were informed by the Madras Government that they lately had under reconsideration the question of the site for the New Post and Telegraph Offices at Madras. They reminded the Chamber that the state of the finances did not admit of an assignment being made for the work for another year or two at the least; and that as the Madras Bank had long desired the site on which it was proposed to build the Post and Telegraph Offices, the Government had resolved to recommend to the Government of India that that site be at once made over to the Madras Bank. They added that it appeared to them that if the beach was ultimately considered the best site, no difficulty would be found in providing a suitable site for the Post and Telegraph offices. The Chamber, in reply, reminded the Government of the circumstances under which a previous Madras Government had consented to make over the site in question for the proposed new Post Office and Telegraph Office, and submitted that no sufficient reason had been advanced for disturbing a decision with regard to the site which was arrived at after much discussion, and deliberation. They admitted that the Bank ought to find a site on the Beach, but they could not allow that that semi-public institution

should have claims to precedence over two important Public Departments. They were convinced that the public interests would be best served by having the Central Post Office and Telegraph Office under one building, on the site referred to; and they suggested that as both Offices were urgently needed, a commencement might be made with them at once by an allotment from Provincial funds.

In April, the Government of India informed the Government of Madras, that the provision of funds for the two Offices was under consideration, and that the site on the Abercrombie battery should not be surrendered to the Bank. The Supreme Government noticed that the Madras Government had resolved to surrender the site without previously ascertaining the views of this Chamber. In December the Chamber learnt that the proposed grant for the new Offices had been struck out of the Budget for 1880-81, and they pointed out to the Madras Government that a sum had already been paid away in rent for the premises now occupied by the Post and Telegraph officials, which would have gone a long way towards erecting the new Offices. They therefore expressed their hope that the Government of India would reconsider their decision, and sanction the building of the new Offices without further delay.

THE MADRAS HARBOUR WORKS.

Reports by Mr. W. Parkes, the Engineer-in-Chief, upon the Madras Harbour Works, dated the 24th January and 25th February 1879, will be found in the Appendix. In the latter, Mr. Parkes proposed a change of the design for the eastern front, or seaward side and the entrance, which the Government sanctioned.

From January 1st 1879 to December 31st of the same year, the North Pier was advanced 1,021 lineal feet, and the South Pier 1,018 feet. On January 1st, 1880, there

remained 1,540 feet of the North Pier to be built, and 2,281 feet of the South Pier. It was hoped that the North Pier would be finished in February 1881, and the South Pier about five months afterwards.

The Chamber failed to elicit from the Government a statement of the arrangements that are contemplated for the internal regulation of the Harbour, though they pointed out the desirability of the trade being apprised betimes of the nature of the burdens that are likely to be laid upon goods, and the importance of shipowners being enabled to foresee what dues will be payable at the port when the work is completed.

RULES OF GENERAL AVERAGE.

The London Association for the Reform and Codification of the Law of Nations forwarded to the Chamber a circular letter, issued by the Central Committee in regard to General Average losses, and stated that nearly five hundred leading ship-owning firms in the United Kingdom had signed an 'Assent' Memorandum, agreeing to insert in their Bills of Lading and Charter parties the following clause, viz., "General Average, if any, payable as per York and Antwerp rules." A wish was expressed that the ship-owners and under-writers of Madras would follow the example of what was being done in England. The Association was informed that as there was no local shipowning interest, the Chamber could be of no service so far as concerned the adoption of the new rules by ship-masters, and that in regard to the underwriting interest, the insurance business of Madras being represented by the agencies of various English and Foreign Insurance Offices, it was with those head offices that the Association should deal for the adoption of the new rules in such insurance as may be hereafter effected in Madras. At the same time the Chamber stated that in their opinion the new rules were equitable, and their adoption desirable. The

Association having requested the Chamber to depute two of their members to attend the Association's seventh annual Conference on the 11th August at the Guildhall, under the auspices of the Lord Mayor and the Corporation of the City of London, Mr. Mackenzie attended the meeting on behalf of the Chamber. His report will be found in the Appendix.

CHANGES IN INDIAN BILLS OF LADING.

The Chamber concurred in the protest of the Calcutta merchants against certain changes and innovations in the form of Indian Bills of Lading which were contemplated by the General Shipowners' Society of London, and expressed their surprise that the Society should have considered it unnecessary to give any intimation of the proposed changes to the mercantile community of Madras.

THE INSPECTION OF CARGO BOATS.

Some correspondence on this subject passed between the Chamber and the Master Attendant. The Chamber pointed out that cargo was damaged when being landed by the boats not being moved sufficiently high up on the Beach, and suggested that it might tend to check the evils of which they had frequently complained, if the Marine Police were instructed to report to the Master Attendant's department all cases in which there might be an insufficiency of dunnage, or any carelessness, in the landing of goods on the Beach. The Master Attendant said he thought the dunnage inspection sufficient, but he requested the Commissioner of Police to issue instructions to the Marine Police to report all cases in which cargo was not carried up on the beach out of reach of the sea.

CUSTOM HOUSE ACCOMMODATION.

The Chamber forwarded to the Collector of Sea Customs a letter that had been addressed to them by a considerable number of Native merchants in Madras,

on the subject of the accommodation provided by the Custom House for such imported goods as iron, pitch, tar, kerosine, &c., and complaining of the rule by which they were compelled to remove iron within four days from the Custom House. The Chamber supported the opinion of the Native merchants that this rule might be modified with advantage to importers, and suggested that the period allowed for the removal of goods should be extended to fourteen days. The Collector replied that till recently a rent-free period of seven days had been allowed for all goods, including iron. The period was reduced to four days after correspondence with Calcutta and Bombay, and under the orders of the Board of Revenue and Government, with a view to expedite the clearance of goods. The Board, on being again addressed by the Collector on the subject, declined to reconsider their decision.

PETTY SAVINGS FUND.

A scheme of the Government of India for adopting in this country a Petty Savings Fund for the special benefit of agriculturists and the poorer classes of non-agriculturists, was submitted for the opinion of the Chamber. The Government were informed that the Chamber saw no objection to a trial of this scheme, though they doubted its success. The Chamber considered it probable that natives would prefer to retain their capital in some tangible form, in the shape of coin or jewels, to holding its equivalent in a piece of Government paper which would be payable to bearer, and might be easily lost or destroyed.

THE REGISTRATION OF TRADE MARKS.

In reply to a reference the Chamber informed the Madras Government that while they approved of the principle of the draft Bill of the Government of India for the registration of trade marks, they did not think the time had arrived when the trade marks to be registered would be

sufficient to justify a new Department and a new appointment which the Bill proposed to create. Patents were registered in the office of the Chief Secretary, and the Chamber saw no reason why trade marks should not be similarly registered there.

NEW MEMBERS.

The following gentlemen were elected Members of the Chamber during the year :—Mr. D. Rasbotham of Messrs. Binny & Co., and Mr. T. Croysdale of Messrs. Croysdale & Co.

THE COMMITTEE.

Mr. Mackenzie, who was re-elected Chairman for 1879 in December 1878, vacated the office on leaving for Europe in March 1879, and Mr. Macfadyen was elected in his stead for the remainder of the year.

APPENDIX.

A.

THE FAMINE COMMISSION.

Madras, 29th January 1879.

TO THE PRESIDENT OF THE CHAMBER OF COMMERCE,
Madras.

SIR,—I am desired by the President, Famine Commission, to request that you will be so good as to lay the enclosed Memorandum of enquiries before the Chamber of Commerce, and I am to express a hope that the Commission may be favored, at as early a date as possible, with the views of the Chamber of Commerce on the points that have been raised in this Memorandum.

I have, &c.,
C. A. ELLIOT,
Secy. to the Famine Commission.

MEMORANDUM.

1. What, in your opinion, was the effect on trade—
   (*a*) at the places where grain was purchased,
   (*b*) at the place to which grain was imported,
   of the purchase of grain by Government at the beginning of the famine?

2. What would have been the effect had the system of Government purchases been continued, and the grain used—
   (*a*) to feed the laborers on relief-works and inmates of relief-camps,
   (*b*) to sell to the public whenever prices at the place where the grain was stored should reach a rate previously fixed and announced to the public?

3. Supposing it to be desirable that Government should hold a reserve stock to be used exclusively for the two purposes specified above, was the mode adopted by the Government of Madras for purchasing grain the best that could be adopted under the circumstances? If not, what method would you recommend?

4. Is the information available to the trade in times of famine as to the prices in distant markets, and as to the demand that

exists, or is likely to spring up, sufficient to secure the necessary activity? If not, by what means can the information be promptly and accurately obtained?

5. Do you consider that there is any necessity for legislation as to—

(*a*) the better control of the port and the landing boats in times of emergency,

(*b*) the better control of pauper immigrants into the city,

(*c*) any other matter connected with famine relief?

Chamber of Commerce, Madras, 10th March 1879.

To THE SECRETARY FAMINE COMMISSION,

SIR,—The Members of this Chamber have carefully considered the questions which you submitted to them in your letter of the 29th ultimo.

Considering the speculative character of some of the questions, you will not be surprised to learn that considerable differences of opinion are found to prevail on some points. The Chamber infer however that your Commision would prefer to have their views as a body to their opinions as individual merchants, and I have been desired therefore, in my replies to your questions, to mention only such facts as are generally accepted by the local mercantile community as being beyond dispute.

I will proceed therefore to answer the questions in the order in which they are put.

1. What, in your opinion, was the effect on trade—

(*a*) at the places where grain was purchased,

(*b*) at the place to which grain was imported,

of the purchase of grain by Government at the beginning of the famine?

It is very difficult to say how far trade was actually affected either under *a* or *b*, because so soon as the fact that Government was purchasing became known, objections were made, and further purchases on behalf of Government were forbidden. But had purchases been continued, it is the opinion of the Chamber that the effect would undoubtedly have been

(*a*). To raise prices excessively.

(*b*). To paralyze private trade.

2. What would have been the effect had the system of Government purchases been continued, and the grain used—

(*a*) to feed the laborers on relief-works and inmates of relief-camps,

(*b*) to sell to the public whenever prices at the place where the grain was stored should reach a rate previously fixed and announced to the public?

3. Supposing it to be desirable that Government should hold a reserve stock to be used exclusively for the two purposes specified above, was the mode adopted by the Government of Madras for purchasing grain the best that could be adopted under the circumstances? If not, what method would you recommend?

No. Public tenders, with ample notice, and full information to the Trade would have produced the grain at the places required at the cheapest rates.

4. Is the information available to the trade in times of famine as to the prices in distant markets, and as to the demand that exists, or is likely to spring up, sufficient to secure the necessary activity? If not, by what means can the information be promptly and accurately obtained?

The Chamber see no reason to doubt that the information at the disposal of the mercantile community was sufficient. It was clearly demonstrated that private trade was prepared to, and did import grain far in excess of what all the railways and carts could carry away.

5. Do you consider that there is any necessity for legislation as to—

(*a*) the better control of the port and the landing boats in times of emergency,

(*b*) the better control of pauper immigrants into the city,

(*c*) any other matter connected with famine relief?

a. The quantity of cargo landed by the boats was so far in excess of what was considered possible before the famine commenced, that the Chamber would hesitate to recommend any measures calculated to check the enterprise of the boatmen. The Boat Act provides ample powers for the control of boats, but it was practically impossible, and would have been injurious to exercise them as regards the limitation of fare.

b. The Chamber do not think that any special legislation is required for the control of pauper immigrants. All that seems to be required for the maintenance of order in the city is a well organized and efficient police force.

c. No answer.

The Chamber take advantage of the latitude permitted by this enquiry to record their opinion on a subject which has not been touched upon by the Famine Commissioners, viz., the allot-

ment of railway waggons for the carriage of grain into the interior during the Famine.

The allotment was, it is understood, made under a system specially devised and ordered by the Madras Government, but which was, the Chamber venture to think, somewhat disadvantageous to the interests of the Shareholders in the railway; and decidedly oppressive and unfair to importers, while its effect in course of time would undoubtedly have been to gradually reduce importations to a very low point.

The action of the Government appears to have been based upon the theory that it is desirable to accord special facilities in transport to traders resident in principal district towns—that otherwise importers would enjoy a practical monopoly of the carriage available; and that thus the entire grain supply of the interior would be left in their hands, and that they would, injuriously to public interests, demand excessive rates of profit wherever such monopoly existed.

It is unnecessary to trace the progress of transport throughout the Famine. It will suffice, if we take the time of greatest activity—say July-August 1877. At that time, out of some 1,400 waggons despatched per week from Madras, the eight European firms, who were the chief importers, obtained nominally 320 waggons, and the five large native importers 200, so that while 500 waggons per week were granted to the chief importers, 900 were left for outside speculators, and casual operators.

It was currently supposed, and the Chamber are able to say from their information with good reason, that many of those 900 waggons were allotted to persons who never imported or purchased any grain, and who simply transferred the use of the waggons allotted to them, for a consideration, to traders from up-country, or to others who required to despatch grain. In this manner, the cost of transport was in many instances largely increased to the injury of the consuming public, and without any benefit to the shareholders of the railway.

As regards the chief importers, their position was this—that while enormous stocks of their grain were lying in Madras, waiting for transport, at a great loss of interest and expense in godown rent; (and as sufficient godown accommodation was not available, to a

great extent exposed without shelter to the injurious influences of the weather, risk of pilfering, &c.,) they were refused more than a very meagre allotment of waggons, wholly disproportionate to the large stocks they held; while at the same time, traders from up-country markets, where there was a brisk demand and high prices, could obtain waggons to transport as much grain as they could buy in Madras. These up-country traders, it must be remembered, run none of the risks of import, and incurred none of the necessary outlay in funds, establishment, &c. They found a large stock ready in Madras; purchased and paid for in many cases three and four months previously; which the importers were anxious, but were not permitted to send up-country. They could supply themselves from day to day out of this stock, and procure waggons for sending their purchases to the most profitable markets; which waggons under Government orders could not be allotted to the original importer. Those original importers were thus prevented by the Government system of waggon allotment from reaching the interior market, and the middlemen took advantage of the importers' difficulties to buy grain, whenever, but only whenever they saw the chance of making a profit out of the transaction.

As regards the interior markets, the effect was to create a monopoly just as much as if they had been left to the care of the original importers. The monopoly was in the hands of those who could get the waggons, and it made no difference whether these were original importers, or occasional speculators. But it may very reasonably be argued that men who only went in for an occasional speculation when prices were high, were not satisfied with such a rate of profit as would have amply repaid an importer on the average of his transactions; and it is evident that the grain had, under this system, to bear two profits instead of one. The original importer, and the favored district trader, both required a profit out of the transaction, and the effect must have been injurious to the consumers interests.

The effect upon importers was necessarily discouraging; they were under heavy outlay, had incurred considerable risk, saw their property deteriorating daily, and in order to prevent further deterioration, were compelled to abandon their expectation

of selling in the more profitable up-country markets, and to sell to the intermediate speculator, who was allowed facilities of transport which were denied to them. They saw the markets for which they had imported practically closed to them; and much of the profits on which they had reckoned pass into the pockets of men who incurred no risk whatever. They found their remonstrances disregarded, their property suffering injury, and the chance of a profitable market passing by, until ultimately their imports could actually only be sold to a loss. Under such circumstances they naturally resolved not to import. Orders already sent were countermanded to a very great extent, and most undoubtedly, had it not been for the rains in August, September and October 1877, which ensured an early harvest, and brought out much of the hidden stocks of grain about the country, the necessary ultimate effect of the Government policy of allotment of grain waggons, would have been evidenced by a disastrous scarcity of supply in the later months of the year.

Fortunately for Government, though unfortunately as the Chamber think for other reasons, the necessity for further supplies ceased before the full effect of the Government system of waggon allotment could be felt, and a record established to serve as a warning against the adoption of a similar principle in cases of famine hereafter.

The Chamber would urgently impress upon the Commissioners, that no activity of imports to the seaport towns can suffice to meet scarcity of grain in the interior, unless it is seconded and supported by facilities of transport; and that these two important factors of supply, import by sea and transport by rail or road, must work together to ensure efficiency. If importers are not allowed transport, their imports are to them, useless. As they do not import for the coast market, but in view of the possible sale in the interior markets, they will naturally import only to the extent of the transport facilities allowed them. There will therefore be no surplies of import available for the petty trader from the interior, who though allowed abundance of transport facilities, does not care to take the risk of import, who only ventures into the market when he sees a certain profit in a transaction extending over a few days.

The Chamber would suggest that waggons might be allotted in either of the following systems :—

1st. To the different importers in proportion to their actual importations.

2nd. By daily registration. *e. g.* Applications might be registered up to 12 o'clock on Monday for waggons for the following Wednesday. By 2, the allotment could be made of the available waggons rateably among the applicants, and delivery orders issued to them that same afternoon on payment: all allotments not paid for by noon the first day being cancelled. This would prevent the intrusion of speculators in waggons, who only seek to make, under the system of payment on delivery of goods, a profit on the transfer of the waggons, who have no grain to forward, and have no intention of using the waggons themselves, or making any payment themselves for their use.

I have, &c.,
A. MACKENZIE,
Chairman.

B.

THE APPROPRIATION OF FAMINE TAXES.

Chamber of Commerce, Madras, 22nd April 1879.

TO THE HONOURABLE THE COMMONS OF THE UNITED KINGDOM IN PARLIAMENT ASSEMBLED.

The Humble Memorial of the Madras Chamber of Commerce.

RESPECTFULLY SHEWETH,—That your Memorialists are engaged in trade, and deeply interested in the commercial prosperity of Southern India.

That your Memorialists, in common with the trading and agricultural classes throughout India, were, by the financial measures adopted by the Government of India early in 1878, subjected to special taxation for a special purpose, the avowed object of the Government in levying a License Tax being to set apart the money thus raised to form an insurance fund against future famine.

That your Memorialists, while protesting, at the time, against the unequal incidence of the tax in different parts of India, and against the injustice of exempting Government officials and the professional classes from the operation of the tax, felt some consolation in the belief that, however unfair and oppresive the incidence and bearing of the tax might be upon themselves, their contributions would at least be applied to the important objects for which they were ostensibly raised, and with which your Memorialists earnestly sympathised.

That your Memorialists would direct special attention to the Financial Statement for 1878-79, to the financial resolution of the Government of India, dated 18th March 1878, and to a Minute by the Viceroy of India, dated 12th March 1878, for a detailed explanation of the principles on which it was proposed to make a systematic provision against periodical famines. The Finance Minister observed, by way of justifying the increased taxation :—

"I feel confident that I shall be able to satisfy the Council and the public that the resolution which the Government has proclaimed will be faithfully carried out, and that the proceeds of these new taxes will be expended for the purpose of providing what I have called an insurance against famine, and for no other purpose whatsoever."

Paragraph 34 of the Financial Resolution of 18th March 1878, runs as follows :—

"Thus the Government trusts that it will be able in the ensuing year to fulfil satisfactorily the engagements which it has undertaken, and the pledges which it has given. It will be able to provide from its ordinary revenues, a sum of £555,000 for the relief of Famine, and to devote at least £1,000,000 towards Famine Insurance; thus the pledge that £1,500,000 shall be set aside from the ordinary revenues for the relief and prevention of famine will be fulfilled. It will indeed be more than fulfilled, for the actual pledge given was not that this amount should always be provided in the estimates of the year, but that it should always be shown to have been applied when the actual accounts of the year were closed."

The Viceroy in his Minute, dated 12th March 1878, wrote as follows :—

"The sole justification for the increased taxation which has just been imposed upon the people of India for the purpose of ensuring this Empire against the worst calamities of future famine, so far as such an insurance can now be practically provided, is the pledge we have given that a sum not less than a million and-a-half sterling, which exceeds the amount of the additional contributions obtained from the people for this purpose, shall be annually applied to it. We have explained to the people of this country that the additional revenue raised by the new

taxes is required, not for the luxuries, but the necessities, of the State; not for general purposes, but for the construction of a particular class of Public Works; and we have pledged ourselves not to spend one rupee of the special resources, thus created, upon works of a different character; while we exercise the most strict economy in all other branches of our expenditure, so that no greater burdens shall be thrown on the country than are absolutely required by the necessities of the case."

That in the opinion of your Memorialists, the public pledges herein made by the Government of India are of a solemn and binding character, and cannot, without grave risk of compromising the dignity and good faith of the ruling authorities with the people of this country, be lightly set aside.

That your Memorialists, therefore, observe with extreme regret, that in the Financial Statement for 1879-80, the Finance Minister has not only ignored the obligations entered into with the public a year ago, but has gone so far as to declare that "the insurance provided against future famine has virtually ceased to exist."

That your Memorialists have carefully considered the condition of the public finances, as explained in the last Financial Statement, and while admitting the exceptional difficulties with which the Indian Government has had to contend, through the further depreciation in the value of silver, they cannot allow that it was necessary or politic for the Government to break faith with the public, or to depart from a famine policy which had so much to recommend it, by appropriating the proceeds of the License Tax to meet current losses by exchange: losses which, there is much reason for believing, have been aggravated by the unsatisfactory way in which the financial arrangements of the Home and Indian Governments are conducted, and for which, it is only right to bear in mind, the tax-payers of India are in no way responsible. Your Memorialists, indeed, do not hesitate to affirm that any Bank or Public Company which ignored solemn pledges given to its shareholders in the same way that the Government of India has broken faith with its tax-payers, would ferfeit all claim to public confidence.

That your Memorialists are of opinion that, however much the estimates of the Finance Minister in March 1878 may have been disturbed by losses by exchange and war charges during the past financial year, it was the duty of the Government of India, in

fulfilment of the pledges made to the Indian tax-payers, to have held intact the proceeds of the new taxes levied for famine purposes, even though it might have been necessary to borrow money to meet exceptional expenditure, in other directions, which had not been estimated for in the Budget. In justification of the appropriation of the special famine taxes to ordinary purposes, the Finance Minister in paragraph 283 of his last Financial Statement reproduces the following observations from a speech delivered by him in the Viceroy's Legislative Council on the 9th February 1878 :—

"Suppose, for instance, that the produce of the new taxes were, by law, strictly set apart from the general revenues, and paid into a separate Fund only to be applied to specified purposes: if then, any sudden change of circumstances arose, calling for seriously increased expenditure, or causing a considerable falling off in the revenue, we should have to choose between the imposition of fresh taxes and the abrogation of the law constituting the Fund; for I set aside the idea of meeting ordinary charges by borrowing, as a course financially inadmissible. This dilemma might arise, though the pressure was likely to be only temporary; nor can any one say that such a contingency would be at all improbable, or that it might not occur at any moment. With all my desire to see the pledges maintained that we have given, as to the application of a sum not less than £1,500,000 as an insurance against famine, I think it would be irrational, under any circumstances that I can conceive, to object to the temporary diverson of any necessary part of the revenue from this purpose, with the view of obtaining relief which might be no less urgently required than that which experience has taught us to be requisite in meeting famine."

That your Memorialists cannot regard this explanation as a reasonable justification of the course adopted by the Government of India, more especially as the unanticipated losses by exchange, and the charges for the Afghan War, cannot fairly be classed among the "ordinary charges" which have to be met out of current revenue. Moreover, the appropriation of famine taxes to general purposes does not appear to be that "temporary diversion" of revenue which the Finance Minister contemplated as possible: on the contrary he now states that "the insurance provided against future famine has virtually ceased to exist," and adds " . . . nor can it be in any way assumed that the evil will not continue and go on increasing."

That your Memorialists observe in paragraph 278 of the last Financial Statement that the proceeds of the new taxes which were imposed for creating a famine fund amounted last year to £971,400, and are estimated to amount this year to

£1,077,400, and that though the Government of India acknowledges that none of this money can be applied to the object for which it was raised, no modifications have been suggested in the application or incidence of the License Tax, which tax, therefore, your Memorialists would submit, no longer fulfils the purpose for which it was imposed.

That your Memorialists, in the name of the trading and agricultural classes of this Presidency, protest against the great and manifest injustice of being further burdened with a tax the proceeds of which are avowedly not being applied, as was promised, to the creation of a famine fund, but to the general requirements of the empire, for which the levying of a special class tax, exempting highly paid Government servants and well-to-do professional men, (for whom the Mercantile, Trading, and poorer orders of the community are made to pay as well as for themselves,) is an exercise of the powers of Government, which your Memorialists, being British subjects, never expected to experience.

That your Memorialists are deeply impressed with the conviction that the present condition of the finances of India calls for the grave consideration of your honorable House: the uncertainty that prevails in connection with the financial policy of the Government of India, together with the invidious and unequal distribution of taxation which characterises that policy, having, your Memorialists regret to believe, done much towards creating popular discontent and shaking public confidence in the financial stability of the Indian Empire.

And your Memorialists, as in duty bound, will ever pray.

(Signed on behalf of the Madras Chamber of Commerce.)

P. MACFADYEN,
Chairman.

H. CORNISH,
Acting Secretary.

C.

IMPERIAL LICENSE TAX.

Chamber of Commerce, Madras, 10th September 1879.

To the Chief Secretary to Government,
Ootacamund.

Sir,—The Chamber desire me to direct the attention of the Madras Government to the manifest injustice of levying a rate of License Tax from the trading classes in this Presidency which is out of all proportion to the rate imposed on similar classes of the community in other parts of India. A comparison of the Schedules attached to the License Tax Acts for Bengal, Madras and Bombay, reveals the following scales of taxation in the different Presidencies.

Bengal. Class. A	*Bengal.* Class. B	*Madras.* Class.	*Bombay.* Class.
I 500	I 500	I 800	I 200
200	200	II 700	II 150
II 100	200	III 600	III 100
III 50	50	IV 500	IV 80
IV 20	25	V 400	V 60
V 5	12	VI 300	VI 40
VI 2	5	VII 200	VII 30
1	2	VIII 100	VIII 25
	1	IX 50	IX 20
		X 25	X 15
		XI 10	XI 10
		XII 4	XII 7
			XIII 5
			XIV 3
			XV 2

It will doubtless be within the recollection of His Grace the Governor in Council that the Finance Minister justified his argument in favor of this exceptionally high rate of taxation for Madras by the plea that the traders of this Presidency had made exceptionally large profits out of the rice trade during the famine. The Chamber at the time pointed out the fallacy of the Finance Minister's argument, and in a Memorial to the Secretary of State protested against the injustice of fixing the rate of license tax for Madras on such an untenable theory.

In his reply, the Secretary of State observed :—"Experience 'can alone suggest what modifications should be made in the 'financial legislation of the three Presidencies. When the 'time comes for reviewing the measures recently passed, the 'objections of the Madras Chamber of Commerce will, I am 'confident, receive our fullest consideration." The Chamber would submit that the time has arrived when this promised review of the working of the License Tax should be made.

In proof of the Chamber's assertion that the chief profits of the rice-trade during the famine did not fall into the hands of Madras traders, but into those of the native cultivators and dealers in Bengal and Burmah, permit me to direct your attention to the Administration Report of British Burmah for 1877-78. After showing that the trade of the Province had increased during the famine year by over £2,800,000 or 21·9 per cent. on the trade of the previous year, the Chief Commissioner goes on to say (para. 152) :—"This improvement 'is mainly due to the great demand which existed for the staple 'product of the Province—rice, throughout the year of 'review . . . . The high prices paid caused immense sums of 'money to be poured into the country, much of which found its 'way into the hands of the cultivators who were thus enabled 'to purchase goods to a larger extent than in previous years, 'whereby the traders and others residents of the towns were 'likewise benefited, and the import trade considerably in-'creased." In para. 162, the Commissioner remarks that "the 'speciality in the exports of the year was the enormous increase 'which took place in the value of grain and pulses. Notwith-'standing that the shipments of rice and paddy were but '28,131 tons in excess of those in 1876-7, the value increased 'by £1,352,158 or 45 per cent." The Chamber have no means of referring to the official statistics of the export trade in rice from Bengal during the same year, but there can be no reasonable doubt that the Bengal cultivators and dealers shared with those of Burmah in that prosperity connected with the famine trade which is so forcibly emphasised by the Chief Commissioner of Burmah.

At it would appear to have been the intention of the Government of India, when imposing the License Tax, to

assess those at the highest rate who had profited most by the famine, the Chamber venture to hope that the anomaly and injustice of saddling Madras traders,—who acted only as distributors of food grain and shared none of the profits that fell to the Bengal and Burmah producers—with such an invidious rate of taxation may at length be acknowledged and remedied. Under the present scale of taxation Madras, whose ordinary trade utterly collapsed during the famine, and from the effects of which it is even still suffering, is made to pay an undue proportion towards the famine insurance fund, if indeed such a fund, in the present state of the Indian Exchequer, can be said to exist. During the Bengal Famine in 1873-74, Bengal traders imported large quantities of grain from Burmah and Madras, but the Chamber are not aware that those traders were specially taxed on the ground that they must have made money out of the famine. There would seem, therefore, to be no precedent for the present exceptionally heavy rate of taxation imposed on Madras traders, and as they are called upon to pay heavy Municipal taxes in addition to those levied for Imperial purposes, the Chamber trust that the Madras Government will make such a revision of the schedule of the License tax act as seems to be imperatively called for.

I have, &c.,

P. MACFADYEN,
Chairman.

Revenue Department, Ootacamund, 6th October 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge recept of your letter of the 10th September 1879, containing the remarks of the Chamber on the high rate of License Tax imposed on the trading classes in this Presidency and to state that the subject will receive full consideration in due course.

I have, &c.,

J. H. GARSTIN,
Acting Secy. to Govt.

D.

THE ASSESSMENT OF LICENSE TAX.

Madras, 11th July 1879.

To the Assessor and Collector Imperial License Tax,
Madras.

Sir,—We have the honor to enquire whether the calculation of two per cent. upon annual nett earnings or profits, referred to in clause 14 of the Madras License Act, is to be made upon the nett profits for the preceding twelve months *i. e.* for year 1878.

We have, &c.,
" Dymes & Co.

License Tax Department, Madras, 11th July 1879.

To Messrs. Dymes & Co.

Gentlemen,—In reply to your letter of this day's date, I beg to state that in accordance with the rulings of Government and the Board of Revenue, the classifying Officer estimates the probable nett earnings of parties, judging from their apparent present position, and recent ostensible dealings, existing circumstances being always taken into consideration. I am therefore precluded by the orders of Government and the Board from accepting the nett profits for 1878 as my sole guide for 1879.

I have, &c.,
J. B. Cardoza,
Assessor and Collector.

Chamber of Commerce, Madras, 17th July 1879.

To the Secretary Chamber of Commerce,
Calcutta.

Dear Sir,—Would you be good enough, at you earliest convenience, to inform me on what principle assessments of Imperial License Tax are made in Calcutta under the Act of 1878, whether on profits of the past year, or how,

and also how appeals against assessments are dealt with in your Presidency.

Would you kindly provide this Chamber with a copy of the Imperial License Tax Act for Bengal.

I have, &c.,

H. CORNISH,
Acting Secretary.

Chamber of Commerce, Calcutta, 26th July 1879.

TO THE ACTING SECRETARY CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—In reply to your note of 17th instant, I beg to hand you a copy of the Bengal License Act, No. 1 of 1878.

So far as the Committee can ascertain, there has been no ruling upon the question, whether the tax is leviable upon the profits of the past year.

Appeals are disposed of by three Commissioners of the Municipality, and their decision is final; but the Committee understand that representations are received by the Board of Revenue in cases where these decisions have been regarded as unjust or illegal by the appellants; and if the Board consider the alleged grievance to be well founded, a remission or a reduction of the tax is granted.

The administration of the Act and the Act itself have caused extreme dissatisfaction in this city and Presidency; and it is probable that a movement will shortly be commenced with the object of obtaining a total repeal of the Act.

I have, &c.,

H. W. I. WOOD,
Secretary.

Chamber of Commerce, Madras, 17th July 1879.

TO THE SECRETARY CHAMBER OF COMMERCE,
Bombay.

DEAR SIR,—Would you be good enough, at your earliest convenience, to inform me on what principle assessments of Imperial License Tax are made in Bombay under the Act of

1878, whether on profits of the past year, or how, and also how appeals against assessments are dealt with in your Presidency.

I have, &c.

H. CORNISH,
Acting Secretary.

Chamber of Commerce, Bombay, 14th August 1879.

TO THE ACTING SECRETARY CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—In reply to your letter of the 17th ultimo, I beg to inform you that the Committee of the Chamber considered it advisable to apply to the officer in charge of the License Tax here for the information which you require; and I have now the pleasure to hand you a copy of his reply to the Chamber's application.

I also send you a printed copy of "The Bombay License Tax 1878" for information as to the sections referred to in paragraph 2 of his letter.

I remain, &c.,

J. GORDON,
Secretary.

License Tax Office, Bombay, 11th August 1879.

TO JOHN GORDON, ESQ.,
Secretary Chamber of Commerce, Bombay.

SIR,—I have the honor to acknowledge the receipt of a letter of 29th ultimo, and in reply to inform you that assessments on account of the Imperial License Tax are made in Bombay ordinarily on the profits of the past year, though exceptional circumstances during the current year are not lost sight of.

2. As to your enquiry as to how appeals against Assessments are dealt with, I beg to refer you to sections 11, 12 and 13 of the License Tax Act.

I have, &c.,

DASABHOY FRAMJEE,
Special Officer License Tax.

Chamber of Commerce, Madras, 10th September 1879.

To the Secretary to the Board of Revenue,
Madras.

Sir,—I am directed by the members of this Chamber to submit to the Board of Revenue, a copy of some correspondence between Messrs. Dymes & Co., and the Collector of License Tax, in which you will observe a question has been raised as to whether assessment of License Tax should not be made on the profits of the previous year, instead of on the profits of the year in which the assessment is made. As the decision of the Collector of License Tax seemed to the Chamber to be open to reasonable objection, and to be hardly in accordance with the spirit of Act III of 1878, a reference was made to the Calcutta and Bombay Chambers of Commerce with the view of ascertaining the practice observed in those cities in the assessment of License Tax. The Collector of License Tax in Bombay remarks that "assessments on account of the Imperial License Tax are made in Bombay ordinarily on the profits of the past year, though exceptional circumstances during the current year, are not lost sight of." In Calcutta, though there has been no ruling upon the question whether the tax is leviable upon the profits of the past year, the Chamber are given to understand that assessments are made chiefly on this basis. Indeed the Chamber do not understand how, in the case of mercantile and trading firms, they can be fairly made on any other basis, seeing that the chief difficulty at the present time is for the merchant to forecast not only what amount of profits he may calculate on in a given year, but whether he will earn any at all. Under these circumstances, the Chamber venture to hope that the Board of Revenue will give such instructions to the Collector of License Tax, as will ensure that, in all cases where profits are contingent on circumstances which it is impossible to estimate with certainty, assessments should be made only on actual results of past business transactions, or, in other words, on the profits of the past year.

I have, &c.,

P. Macfadyen,
Chairman.

Proceedings of the Board of Revenue, dated 22nd September 1879.

Read letter from the Chairman, Chamber of Commerce, Madras, dated 10th September 1879.

The Chamber of Commerce will be furnished with a copy of G. O., dated 7th August 1878, No. 1,265, issuing instructions as to the method of calculating earnings for the assessment of the License Tax; the Municipal Assessor appears to have acted on these instructions.

I have, &c.,

C. A. GALTON,
Acting Secretary.

Proceedings of the Madras Government, Revenue Department, 7th August 1878.

Read the following paper:—

Proceedings of the Board of Revenue, dated 15th July 1878, No. 1,966.

Read the following letter from J. B. PENNINGTON, Esq., Collector of Tinnevelly, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated 2nd July 1878, No. 470:—

I have the honor to request that I may be informed if the annual nett earnings under the License Tax Act are to be fixed with reference to last year's profits, or on the average of a series of years, or how? Unlike the old Income Tax Act, this Act appears to be silent on the point, though it is one of considerable importance.

2. I take this opportunity of pointing out that Section 3, Regulation 7 of 1828, which expressly confers on Division Officers *all* the powers granted to a Collector by the regulations in force *or that may be hereafter enacted*, appears to cover the case of the intermediate application referred to in Section 16 of Act III of 1878, as suggested by the Acting Collector of South Canara in his letter embodied in Board's Proceedings, No. 1,589, dated 12th June 1878.

Paragraph 1 of the Collector's letter will be submitted for the orders of Government. The Board are of opinion that the

profits should be calculated with reference to the earnings of the individual during the preceding year.

2. With reference to paragraph 2, the Collector is informed that it being clearly laid down in Clause 2, Section 16 of the Act, that unless the Collector himself is the assessing officer, an intermediate application should always be made to the Collector before appeal is made to the Board, it does not appear to be the intention of the Act that the intermediate application should be disposed of by any officer other than the Collector of the district. Mr. Pennington will, however, observe that the Government have directed that the disposal of applications for relief under Section 16 should be reserved by Collectors in their own hands—*vide* G. O., dated 11th April 1878, No. 583.

C. A. GALTON,
Acting Secretary.

ORDER THEREON, 7th August 1878, No. 1,265.

The Collector misapprehends the distinction between a graded License Tax and a tax assessed on Incomes.

2. All that is required for rating in the License Tax is that the classifying officer (Collector or officer exercising the powers of a Collector) shall satisfy himself as to the probable nett earnings of the individual on an average, judging from his apparent present position and recent ostensible dealings.

3. If the individual objects to the rating or grading and produces books or evidence to show that his assumed nett profits are in excess of actuals so evidenced in the past year or recent years, it will be for the rating officer to judge whether there is or is not sufficient cause to modify his classification.

4. Of course the year preceding that of taxation is the most recent evidence that can be adduced, and may often be sufficient for basing a decision; but existing circumstances may warrant a modification.

5. The Government concur in the opinion expressed by the Board in paragraph 2 of their Proceedings.

C. G. MASTER,
Secretary to Government.

Chamber of Commerce, Madras, 9th October 1879.

To the Secretary Board of Revenue,
Madras.

Sir,—I have to thank you for a copy of the Board of Revenue's Proceedings, dated 22nd September last, relating to the assessment of License Tax. The Chamber desire me to point out that the License Tax Act distinctly refers to "annual nett earnings or profits" on which assessment may be made, and to nothing else. It would seem therefore that the instructions given to Mr. Cardoza are not strictly in accordance with the Act, and the Chamber would venture to suggest that they should be modified accordingly.

I have, &c.,

P. Macfadyen,
Chairman.

Proceedings of the Board of Revenue, dated 21*st October* 1879.

Read letter from the Chairman of the Chamber of Commerce, dated 9th October 1879.

The license tax collected under Madras Act III of 1878 is leviable on 'annual nett earnings or profits,' but the period with reference to which the assessment is to be made is not specified. The Government have ruled in their order of the 7th August 1878, copy of which was communicated to the Chamber, that the classifying officer should satisfy himself as to the probable nett earnings of each individual on an average, judging from his apparent present position and recent ostensible dealings, remarking that of course the year preceding that of taxation is the most recent evidence that can be adduced, and may often be sufficient for basing a decision, but existing circumstances may warrant a modification. The Chamber of Commerce take exception to these instructions, and contend that the profits should be estimated solely with reference to the transactions of the previous year. The Board do not concur in this view; the intention evidently was that the tax should be levied with reference to the present circumstances of the parties, and it would be wrong to take the results of the past year's transactions as the sole guide. Firms, and individuals, who were carrying on a thriving business

in the preceding year, may be well known to have suffered reverses in the year for which the assessment is to be made and *vice versa*. The present position, therefore, must be taken into consideration, but the instructions issued do not contemplate any forecast of profits contingent on the future course of trade as supposed, it was expressly stated that past actuals and existing circumstances were to be the basis of the estimate. The course followed in Bombay appears to be similar, and the Board regret that they cannot modify the instructions as desired.

I have, &c.,

C. A. GALTON,

Acting Secretary.

E.

TRADES AND PROFESSIONS TAX BILL.

Chamber of Commerce, Madras, 29th November 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort Saint George.

SIR,—The Chamber of Commerce have had under their consideration the Trades and Profession Tax Bill published in the last number of the *Fort Saint George Gazette*, and have desired me to forward the following observations on the Bill, with a request that you will be good enough to submit them for the consideration of the Government of India.

1. Section V which prescribes the duties of the Collector in determining the classes, and the preparation of lists of persons liable to a tax on their business, makes also the following provision :—

"The list so filled shall be open to public inspection, at all reasonable times, such part or parts thereof as the Collector thinks fit shall, not later than the first day of April, be published in such public place or places of all towns and villages concerned, and shall be made known to the persons affected in such other manner (if any) as the local Government may from time to time direct."

The Chamber think that the publication by Government of information which is given to them in a confidential form is highly objectionable, and as no object can be served by making known the extent of business transactions by private firms, the Chamber trust that this portion of the Act will be modified in accordance with the usual practice in such cases.

2. By Section XI the duty of collecting the tax in Madras devolves on the Municipality, and clause E of the section provides:—"That from such funds such authority shall pay in each year to the credit of the Secretary of State in Council such amount as the local Government may estimate to be a fair composition for such sums as such authority could with due diligence realize on account of the tax during such year."

The Chamber think that this arrangement is unfair to the Municipality, which should only be responsible for the amount they are able to collect. The authority assumed by the Government of fixing the amount of License Tax that should be collected by the Municipality has, as you are aware, already proved most inconvenient, in practice, in Madras.

3. Sections XIV, XV, XVI and XXII throw upon private employès the burden and responsibility of collecting the tax from their servants. Not only is this provision unusual, and so far as mercantile firms are concerned, unprecedented, but the Chamber think it is both unfair and unreasonable that the Government should expect houses of business to undertake a labour and responsibility that ought clearly to devolve on the Government alone. The Chamber would therefore strongly protest against the above clauses being incorporated in the Bill.

4. In the statement of "objects and reasons," it is stated by Sir John Strachey, that the rate of the tax on salaried classes, official or non-official, will be $1\frac{1}{2}$ per cent and that, in practice, "the tax will, on the average, fall on all classes at the same rate." The Chamber would point out that a reference to Schedule 2, appended to the Act, shows that the tax on business incomes will, in many cases, be nearer 2 than $1\frac{1}{2}$ per cent. The Chamber trust it is only necessary to point out this anomaly to ensure a more systematic equalisation of taxation being adopted than that provided in the Schedule to the Bill.

5. The Chamber observe that no proper provision is made in the Act for collecting reliable returns of business incomes on which assessments have to be made. They would suggest that it should be the duty of firms liable to the tax to submit to the Collector returns shewing the profits on business for the past three years, and that the Collector should make his Assessments on that basis only. This practice was in force during the existence of the Income Tax, and ought, the Chamber submit, to be adopted in the collection of the Trades and Professions Tax.

6. The Chamber would remark that the new Act virtually imposes an Income Tax on Trades and Professions, and, this being so, it seems to the Chamber invidious that the Government should exclude from the operation of the Act those classes who derive their incomes from land or Government securities. Some of the wealthiest classes in the country thus escape from the pressure of the tax. On the whole, this Chamber, I am desired to say, would prefer a general Income Tax to the present scheme of taxation.

7. As it is observed that the Finance Minister proposes to bring the Trades and Professions Tax Bill into force on the 1st January next, the Chamber request that the above representations may be submitted to the Supreme Government without delay. At the same time the Chamber would impress upon the Government of India the impolicy of hurrying a measure of so much importance through the Legislative Council. In view of the desirability of some degree of finality in financial legislation, and in justice to the classes who will come under the operation of the Trades and Professions Tax, the Chamber trust that the Bill now before the Government of India will be considered with deliberation, and amended in such a way as to make it more generally acceptable to tax-payers. The Chamber further venture to hope that the views expressed in this letter may receive the support of the Madras Government.

I have, &c.,

P. MACFADYEN,
Chairman.

Proceedings of the Madras Government, Judicial Department, 27th November 1879.

Read the following paper:—

From D. FITZPATRICK, Esq., Secretary to the Government of India, Legislative Department, to the Acting Chief Secretary to Government, dated Simla, 18th November 1879, No. 1,213.

I am directed to forward herewith forty copies of the papers,* and to request that His Excellency the Governor in Council will favor the Government of India in this department with an expression of his opinion on the provisions of the Bill, and with the opinions of such officers as he may think fit to consult on the subject.

2. I am also to request that the Bill and Statement may be published in the *Fort St. George Gazette* in English, and in such other languages as His Excellency in Council may deem proper, and that the dates of such publication may be communicated in your reply.

3. The reply to this letter should be sent in by the 5th December 1879.

ORDER THEREON, 27th November 1879, No. 2,991.

His Grace the Governor in Council resolves to request the Board of Revenue, the Chamber of Commerce, and the Municipal Commissioners for the City of Madras to offer their remarks on the Bill to impose a Tax on Trades and Professions and to communicate the same to Government by the 1st December 1879. . . . . .

G. MASTER,
Acting Chief Secretary.

STATEMENT OF OBJECTS AND REASONS.

1. The existing License Tax Acts are four in number. Act II of 1878, passed by the Council of the Governor General, applies to the Punjab, the North-Western Provinces and Oudh; and Acts, more or less similar, passed by the Local Legislatures, apply to the Presidencies of Madras and Bombay, and to Bengal. These Acts it is now

* The Trades and Professions Tax Bill, 1879.
Statement of Objects and Reasons of the above Bill.

thought desirable to consolidate and amend, and the present Bill has been prepared for this purpose.

2. It is considered necessary to exempt from liability to this form of taxation all persons whose presumed incomes are less than Rs. 250 per annum. The effect of this change of system will be to exempt more than a million persons from taxation, and it will involve a sacrifice of an annual revenue of about £240,000.

3. With a view to making good the loss of revenue caused by this exemption of the smaller incomes now liable to the License tax, and to obtaining at the same time greater equality in the incidence of taxation, it is proposed to extend to the professional classes, and also to the wealthier officials and other persons receiving salaries, taxation at a similar rate to that imposed on the trading classes.

It is proposed to treat the trading and professional classes alike. In regard to traders, the Bill makes no important change in the system followed under the existing License Tax Acts, except that it is obviously necessary to increase the fees payable by persons with the larger incomes, as the richer traders would otherwise be taxed at a lower rate than that applied to the salaried classes. The system of classification now in force is generally retained. Some small variation in the rate at which the tax falls on different incomes is under any such system unavoidable; but the new schedule has been so framed that the difference between the highest and the lowest rates does not exceed one-half per cent., the average incidence of the tax being a little over 1½ per cent. on estimated annual earnings.

4. Separate provisions are made for the taxation of the salaried classes, whether official or non-official; as, in their case, the exact incomes being known, the rough process of classification which is desirable for traders and professional persons would obviously be neither necessary nor expedient. It is proposed, following pretty closely the precedents of Act XXI of 1867 and Act IX of 1868, to assess the salaried classes on their actual salaries; the lower limit of taxable salary being Rs. 100 per mensem, or Rs. 1,200 per annum.

The rate of the tax on these classes will be 1½ per cent, and, in practice, the tax will on the average fall on all classes at the same rate.

5. Following the precedents above quoted, it is proposed to exempt from liability to the tax the military servants of the Government whose pay and allowances do not exceed Rs. 500 per mensem, or Rs. 6,000 per annum.

6. It is estimated that the extension of taxation to the professional and salaried classes in the manner proposed by the Bill will yield very nearly the same amount as that sacrificed by giving up the

tax on the lower classes of traders, or about £240,000. The measure will, therefore, have no appreciable effect on the public revenues.

7. The present opportunity has been taken to amend the law in other particulars, but they are not of sufficient importance to call for notice here.

8. As the existing Acts require the assessment lists to be made out in the beginning of January, it is desirable that the present Bill, if it is to become law, should be passed before the 31st December; but no payments will be due until after the 1st April, when the next financial year begins.

JOHN STRACHEY.

The 13th November 1879.

Chamber of Commerce, Madras, 24th December 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,

Fort Saint George.

SIR,—I have the honor to acknowledge the Proceedings of Government, Judicial Department, dated 27th November 1879, No. 2,991, inviting the Chamber's opinion on the Bill to impose a Tax on Trades and Professions. The Chamber desire me to point out that they had submitted their observations on this Bill before the above Proceedings were received. They would further remark, that though the letter from the Government of India, inviting an expression of opinion on the Bill from the Madras Government, is dated the 18th November, the reply of the Madras Government is directed to be sent in by the 5th December. Making the necessary deductions for postal service between Simla and Madras and Madras and Calcutta respectively, the Chamber are of opinion that the time allowed for consultation on and consideration of the Bill in Madras is inadequate to the occasion; and the Chamber feel constrained to say that a Bill of so much importance to the trading classes in India, ought not, in the interests of good government, to be treated with such scant ceremony.

I have, &c.,

P. MACFADYEN,

Chairman.

F.

THE REMISSION OF COTTON DUTIES.

Chamber of Commerce, Madras, 23rd May 1879.

To the Honourable the Commons of the United Kingdom in Parliament Assembled.

The Humble Memorial of the Madras Chamber of Commerce.

Respectfully Sheweth,—That your Memorialists, in common with the general body of tax-payers in India, have learnt with surprise and regret the resolution of the Government of India to remit a further portion of the import duties on Cotton goods, whereby a sacrifice of revenue, estimated by the Finance Minister at over £200,000, has been made at a time when the Indian Exchequer is exhausted, when the equilibrium between revenue and expenditure can only be maintained by raising new loans, and when the immediate financial outlook is so uncertain, that the Finance Minister is obliged to confess that "the Government cannot even approximately tell what income will be required to meet the necessary expenditure of the State."

That your Memorialists are of opinion that the manner in which the remission of duties has been effected is calculated to create serious popular discontent, and to compromise the character of the Home Government for impartiality and justice in dealing with the affairs of India. It is known to your honourable House that the Manchester Cotton Spinners, for objects which doubtless seem reasonable enough from their point of view, have frequently called for the repeal of the Indian Cotton duties, and that the Secretary of State for India and the Government of India have as often refused to yield to their demands, on the sufficient ground that the duties were imposed for revenue purpose only, and that the revenue thus raised could not be spared. Yet at a moment when the financial condition of India is unprecedently low, when the Government of India is almost despairing of being able to make revenue meet expenditure, when further loans can only be raised on most

unfavourable terms, the Secretary of State for India seizes the opportunity to exercise an unusual prerogative, and authorises the Governor-General to over-rule the opposition of his colleagues in Council, and to remit Cotton duties to the amount of nearly a quarter of a million sterling.

That your Memorialists assume that the present depressed state of the Manchester Trade is considered a sufficient justification for this extraordinary exercise of power on the part of the Secretary of State for India; but your Memorialists would point out that, situated as India is at present, this remission of Cotton duties can only be regarded as an attempt to benefit Manchester at the expense of India. The depressed state of the manufacturing interests in Lancashire being clearly a question for the Home Government, rather than the Government of India, to deal with, your Memorialists think it matter for regret that the Home Government, should have given grounds for the suspicion, erroneous though it may be, that the interests of India must be sacrificed when they happen to clash with those of influential classes in Great Britain.

That, furthermore, it seems to your Memorialists that there are grave political objections to the authority of the Governor-General in Council being arbitrarily over-ruled from Home in matters affecting the financial legislation of this country, such action on the part of the Home Government being calculated to compromise the position of the Government of India with the people, as also to create an impression among the people that it is in the power of any class or party sufficiently powerful to make its influence felt in Parliament, to dictate a course of action to the Government of India, irrespective of the opinions of that Government, of the feelings of the people, or of the circumstances of the country.

That in the opinion of your Memorialists, the financial reasons for retaining the import duties are, at the present moment, so urgent that they outweigh all theoretical considerations regarding the ultimate benefit of a repeal of the duties, whether to India or Lancashire. In 1875, in replying to a demand from the Manchester Chamber of Commerce for the total and immediate repeal of the import duties on yarn and

piece goods, the Government of India remarked that "it would be impossible for the Government of India to give up such a sum without seeking some compensation from other sources," and that "these duties are levied at a very small cost, and at a minimum of inconvenience to the people, and they cause no discontent." So recently as in September of last year, the Madras Government sought the opinion of your Memorialists as to the expediency of making the remission of duty to the extent which has now been carried out, when your Memorialists replied as follows:—

"..... So far from admitting the expediency of the proposed exemption from duty, the Chamber fail to see any reason for inflicting upon the State a loss of revenue for which no compensation will be obtained. It seems to the Chamber that the present is a most unsuitable time for thinking of sacrificing any of the State's resources under pressure from interested and imperfectly informed foreign manufacturers, and that it would be difficult to find a tax which is felt so little by the people as that upon the fabrics referred to. The repeal of all import duties might be expedient, if the country were in a position to sustain without detriment the sacrifice of revenue; but situated as the finances now are, it is more than ever expedient that financiers should leave well alone."

That, in the opinion of your Memorialists, this is the only view in which the import duties on Cotton goods can be rightly regarded, and they submit that the argument which was used by the Government of India in defence of the duties in 1875, may be urged with even greater force in 1879.

That your Memorialists would, therefore, earnestly impress upon your honourable House the necessity of considering how, if the remission of duties which has been made in the face of so much adverse opinion, both from the Government and people of India, is to continue in force, the deficiency in the revenue of the country is to be made good. It seems unreasonable that the Home Government should exercise the power of directing the Indian Government to sacrifice certain items of revenue without, at the same time, providing that Government with the means of making good the deficiency from other sources. And as the remission of the whole of the import duties on Cotton goods has been recommended by the Home Government, the time has come when, in the opinion of your Memorialists, your honourable House will have to decide how the pressure on the finances of this country, consequent on

the abolition of such duties, may be permanently relieved. Your Memorialists are of opinion that this end could be to some extent secured by the public debt of India being guaranteed by the British Government. With the improved credit of the Indian Government, any future loans which it might be desirable to raise for the prosecution of productive public works could be negociated on more favourable terms than they can be under the sole guarantee of the Indian Government; while the present debt could, as it falls due, no doubt be renewed on cheaper terms as to interest than at present. In guaranteeing the debt of India, your Memorialists do not see what additional risks the British Government would assume, as, in the last resort, it is not possible to believe that England could allow the insolvency of India to become an accomplished fact.

That, for the foregoing reasons, your Memorialists pray that no further remission of cotton duties be authorised by the Home Government without recommendation from the chief mercantile bodies in India, and the sanction of the Government of India; and that your honourable House will be pleased to take into consideration the necessity of affording some permanent relief to the finances of India in the direction suggested by your Memorialists.

And your Memorialists, as in duty bound, will ever pray.

(Signed on behalf of the Madras Chamber of Commerce.)

P. MACFADYEN,
Chairman.

H. CORNISH,
Acting Secretary.

G.

THE MASTER AND SERVANT BILL.

Extracts from Proceedings of the Government of Madras, Judicial Department, 31st December 1878.

From A. MACKENZIE, Esq., Chairman, Chamber of Commerce, to the Chief Secretary to Government, dated Madras, 15th May 1878.

(*Vide the Chamber's Annual Report for* 1878 *page* 94.)

ORDER THEREON, 31st December 1878, No. 2,630.

The foregoing papers on the subject of the revised Draft Bill received from the Government of India, to define and amend the law relating to master and servant, will be forwarded, with the following observations, to that authority in reply to their Secretary's letter in the Home Department (Judicial), dated 23rd February 1878, No. 6-277.

2. The objections of this Government to the Bill as originally framed were fully set forth in the letter from this department to the Government of India, dated 3rd December 1877, No. 2,846.

3. The prominent features of the revised Bill now under consideration are—first, its peculiarly class character, and, secondly, the transfer of matters connected with ordinary domestic and other subordinate private employment from the jurisdiction of the Civil to the cognizance of Criminal Courts. Both these features appear to His Grace the Governor in Council to be objectionable.

4. As regards the first of these points, it is proposed to apply a measure which, as a general law, has received the almost unanimous condemnation of those consulted, to a small section only of the community; that is, in the Madras Presidency, to some 9,250 employers out of a total population of thirty-four millions. To justify such class legislation at all, the strongest reasons should be forthcoming; and it should be clearly shown what are the positive special evils to be provided against, and

what the clear advantages to be attained. But no information on these points is set forth in the papers.

5. With reference to the second point, this project of law appears to His Grace the Governor in Council to be a wholly retrograde measure. Service is a matter of private contract, either governed by agreement, or regulated by customary law. In either case, the breach of agreement is a proper subject for civil redress. If a servant embezzles, steals, assaults, or commits any other offence, the act is already subject to the ordinary criminal law. If, on the other hand, he fails to come to his work, or is disobedient or negligent, he commits a breach of his civil contract, but commits no crime.

6. The English law (now modified), rendering agricultural servants punishable by the Magistrate, was based on the injury to the State which would arise from neglected agriculture and injury to food-crops; but this theory is not applicable to the case of domestic service, or where the proposed law would only effect an infinitesimal portion of the cultivation of India, even if such a measure were desirable.

7. On the whole, its effect is to subject a servant to imprisonment or whipping for matters which are breaches of civil contract, for which remedy is now to be sought in a Civil Court only, or to subject a servant to the risk of being arrested on a warrant, and publicly treated as a criminal, on an *ex parte* statement, made in his absence, by any member of his master's family. Again, if a servant, goaded by coarse abuse, were to give a saucy answer, and in doing so be disrespectful to his master, he is hereafter to be punished as a criminal.

8. Under Section 12, Clause (*f*), a servant is placed under obligation to make good any loss caused to his master by "want of skill;" and by Section 27, if the servant breaks any obligation imposed upon him by Section 12, any member of his master's family may order him to appear before a Magistrate, who, on the breach being proved, *shall*,' under Section 29, sentence the servant to imprisonment or whipping. His Grace the Governor in Council is not aware of any previous law in which want of skill unavoidable in beginning service, is made criminal. Clause (*k*) of Section 12 is also unjust to the servant. If he is taken

suddenly ill, the clause provides that his master may employ a substitute, and deduct payment made to such substitute from the wages due to the servant. Where a person is engaged to fill the place of another temporarily, payment made to him will in almost every case be at a higher rate than the wages of permanent service. Thus, under the clause, the sick servant may be mulcted in more than his wages—in fact, in whatever amount the master may choose to agree to pay to the substitute. This is a power which could not be safely given in England, and it is a power which certainly ought not to be given in this country.

9. Section 7 lays down certain presumptions as to duration of service in the case of different kinds of servants or employès, to take effect in the absence only of a contract, or "local usage to the contrary." The Government are inclined to think that there is no part of this Presidency in which local usage, as to the terms of ordinary service, is not recognized and understood. Either, therefore, this section will be null and void, or it will introduce a new element for legal dispute; that is, whether a local usage is, or is not, proved to exist. It is also worthy of note that the local usage to be proved must be a usage obtaining amongst the servants of those who are not affected by the measure under consideration, for no local usage could be established from the case of the very limited and exceptional class to, which the measure refers.

10. It seems doubtful whether, in the definition of domestic servant, the terms employed include all those who should be included; in such a definition, as, *e. g.*, dairymen, ironers, tent lascars, &c.

11. His Grace in Council is convinced that there is no question which needs more delicate handling than the relation between employers and servants, especially domestic servants, or a more thorough understanding of every local usage and custom, before any legislation is adventured; and that there is no class of cases in which complaints are so frequently hasty and exaggerated as those relating to alleged misconduct in service; while there is none in which the law has less power for good. This

Government, therefore, trust that the measure in question will not be carried further.

C. G. MASTER,
Acting Chief Secretary.

H.

REGULATION OF LABOR IN FACTORIES.

Proceedings of the Madras Government, Judicial Department, dated 12th December 1878.

Read the following paper:—

From A. O. HUME, Esq., C. B., Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, to the Acting Chief Secretary to Government, dated Simla, 4th November 1878.

I am directed to forward the draft of a Bill to regulate labor in Factories which it is proposed to pass into law, and to draw special attention to the fact that the Act will probably affect numerous Government factories.

2. It will be noticed that clause (*f*) of Section 2 is incomplete; and I am to request that, with the permission of His Grace the Governor in Council, you will be good enough to state, for the information of the Government of India, what manufactures and processes would appropriately come under that clause.

3. In the absence of any general system of registering births, difficulties will doubtless be experienced in determining the age of a child, or young person; and I am to inquire how His Grace in Council would suggest that these could best be met in practice.

4. I am also ask what His Grace in Council would propose in regard to the payment of Inspectors to be appointed under the Act. It will be observed that the Bill as drawn contains no provision for any special funds for this purpose.

5. I am to add that the Bill in its present shape is merely tentative, and that the Government of India will be glad to receive the fullest criticism on all and every point connected therewith.

ORDER THEREON, 12th December 1878, No. 2,504.

Copy of the foregoing letter and of the Draft Bill received therewith, on the subject of regulating labor in Factories, will be furnished to the Military and Public Works Departments, to the Consulting Engineer for Railways, to the Chamber of Commerce, and to the Trades Association, with the view of obtaining reports and suggestions in connection with the various Military, Civil, Engineering, Railway, and private workshops and factories where labor of any kind is employed, for the purpose of improving and perfecting the project of law as far as practicable.

2. It will be observed that the fullest criticism is invited; and that information is especially needed on the following points:—

(*a*) what manufactures and process would appropriately come under clause (*f*) of Section 2;
(*b*) what payment should be made to inspectors to be appointed under the Act;
(*c*) how funds might be raised to meet such payments;
(*d*) how the age of children and young persons could best be ascertained, in the absence of any general system of registering births.

3. Copy of the letter and Bill will also be furnished to the Board of Revenue and to the Advocate-General for any observations they may desire to offer on the subject of the Bill.

4. The Government request that the several replies to these Proceedings be laid before them, if practicable, by 30th January next.

C. G. MASTER,
Acting Chief Secretary.

Proceedings of the Madras Government, Judicial Department, dated 1st May 1879.

Read the following papers:—

Proceedings of the Board of Revenue, dated 30th January 1879, No. 248.

From J. BURNETT, Esq., and eight others, to W. LOGAN, Esq., Collector of Malabar, dated Calicut, 16th January 1879.

We have the honor to acknowledge receipt of a draft Act, which seems to be well known as the "Factory Act," and to

submit to you our views thereon, as we understand that, if passed, it will be applicable to our business, as we each employ more than fifty hands in the preparation of coffee, ginger, and other articles for sale.

We have not the slightest hesitation in characterising the proposed Act as unreasonable and quite unnecessary as regards our business, and one that, if passed, will not only hinder it, and put us to considerable expense, but will bear most heavily on our native employès, for whose benefit the Act may be presumed to have been drafted, and will prove a most detrimental check to one of the chief industries of this place.

It is possible that some of the new industries which have recently sprung up in Bombay, Madras, and other places, such as spinning and other mills, may have to be carried on under circumstances such as render the prolonged employment of children and young persons thereat detrimental to their health, but we are certain of this, that their employment under existing circumstances in our business is anything but unhealthy. Coffee and ginger preparations are industries of old standing here, and those of us who have been long in the business could point out numerous adults and young persons who have passed the greater portion of their lives in our service, and are above the average in physique owing to their having, while young and growing, made such wages at a healthy employment as enabled them to live well, instead of being unemployed and half-starved.

It may seem as if we were making too much of the healthy nature of our business in order to make a good case for ourselves, but a few explanations will suffice to remove the possibility of such an imputation.

1*st.*—*As regards coffee preparation.*—The coffee comes to us in such a damp state that it has to be dried in the sun for several days before the outer skins can be peeled off. With this view the article is spread out very thinly on what are called barbacues—large patches of levelled ground covered with a coating of chunam. In order to ensure uniform drying, the coffee has to be frequently turned, and boys can do this work quite as well as full-grown men. The usual hours are from seven to twelve and from one to six;

they are not, however, employed at turning all day, but at similar light work either out of doors or in open sheds, and, if their employment at such works is to be restricted as proposed, we should simply have to pay each half the amount he now gets, and we may say three-fourths of the number of coolies we employ are children and young persons, so that the matter would be seriously felt both by us and the coolies. After the Coffee has been dried, it is peeled and sized, and finally, before packing, "garbled," that is, the beans are spread on low tables, and every defective or damaged bean is picked out by hand, and for this work women and children are solely employed as, their fingers being more nimble, they can get through much more work than men could. Mothers bring their three or four children of various ages down to the little one of three or four years who can earn a little money by assisting to pick out the bad beans. The work is all done by the piece; the women come and go pretty much as they please; many of them bring their meals with them and remain within the walls of the works all day, working and resting as they please, and the children spend a considerable portion of their time in sleep. The whole operation of garbling is carried on in open sheds. It would be impossible to say how many hours the hundreds of children and young persons who are engaged in garbling in the various works in this town alone are each employed daily, because they work so intermittently (the total number of garbling hands employed in the season in Calicut may be assumed at from 2,000 to 2,500); they are constantly going in and out, and to say that, however short a time they may work, they are not to remain in the works, whether working or not, more than six or eight hours, or that none of the women are to bring in their babies or their children who are below eight years of age, would prevent many of the mothers from coming to work at all; they and the children would remain at home idle, cursing the authors of the Act for preventing them from earning a livelihood, and we are convinced that, if any of the former were to visit our works, they would admit that the occupants of the garbling sheds showed no symptoms of suffering from their employment, but are on the contrary remarkably healthy and well-grown.

2nd.—Ginger preparation:—Each piece of the better qualities of ginger has to be scraped by hand, and for this work small boys are found much more suitable than adults; this work also is done by the piece, and the boys come and go when they please; some work three hours a day, and others remain twice that time, but they merely work as long as they choose; and here again it would be very cruel to prohibit boys under eight years old coming into the yard and earning a few annas a day. The work is carried on in open sheds and is perfectly healthy. We may also mention that in both coffee and ginger preparation the working season lasts only five or six months. All such work is stopped by the monsoon, and it would be exceedingly hard to throw obstacles in the way of our getting through our work in time so long as the health of the work-people is not affected. It would also be exceedingly impolitic to prevent the poor natives from having an opportunity of laying by a little money to be used during the non-working season—money earned at healthy employments—and we are sure they would be the first to beg that the draft Act should be put in the fire.

Our machinery is of a very simple description, and that it is not dangerous will be seen from the fact that there has been only one accident in connection therewith during the last ten years out of an average of some 300 men and boys employed daily about the different works, and that was of the slightest description.

There would be immense difficulties as regards ascertaining the ages of the children and young persons, but these are fully as well known to you as to us.

We beg that you will forward this our protest to the proper quarter.

Minute by E. S. S. THOMPSON, *Esq., dated Karaparumba, Calicut, 15th January* 1879.

I consider that Mr. Burnett's letter is admirable and needs but very little addition or alteration.

2. I have not seen the draft Factory Act, but from the extracts hereto attached it seems to me not only unnecessary

but positively prohibitive and injurious to all concerned—to the employed more than the employers.

3. Looking at it from an employer's point of view, it would not only "hinder" our business, but would, I think, absolutely prevent our getting the "garbling" part of our work done in the requisite time. My small experience shows me that one of our difficulties is to keep the garbling going as fast as the other parts of the preparation of coffee. Where this Act to become law, it would be quite impossible.

4. On the part of the employed, coffee-curing is a local industry of very long standing and affords a livelihood to a very large number of the poorer classes of this place. The Act would throw a great number of them out of work. All the families of the employed would become poverty-stricken, and the "children" who are now brought up to industrious habits, under some restraint, and early in life to earn something towards their daily bread would lead idle and desreputable lives, for there is no other work to which they could turn.

5. The average daily number of women and children employed at Karaparumba in the season is as follows :—

Garbling	720	835
Ginger	90	
Sundries	25	

Of these fully one-fourth are under eight years of age and another two-fourths under sixteen. In addition to this there are fully 100 mites of children, brought into the yard by their mothers, whose only occupations are playing and sleeping. The mothers lock up their houses and bring the whole of their family with them—some to assist in the work and some merely to be kept out of mischief, and, if they were precluded from doing this, they could not come at all.

6. I have no hesitation in saying that "garbling" coffee and sorting and scraping ginger are peculiarly healthy occupations, and that the garbling and ginger sheds are infinitely better ventilated and more healthy in every way than the abodes of the people.

The occupations entail no manual exertion which could by any possibility prove injurious to growth or healthy physical development.

7. I presume one of the objects of the Act is the education of the people. This is a matter we can hardly enter upon; but, in addition to pointing out that the employment only lasts for certain months in the year, it might be shown that those whom we employ are nearly all of the agricultural and laboring classes, who are not in the habit of learning their ABC, and are certainly not likely to be driven to it by a compulsory abstention from earning their living.

These works are now of seventeen years' standing, and during all that time there has only been one slight accident. A boy had his thumb crushed in the wheels of a sizer.

Minute by D. FERGUSON, *Esq., dated* 16*th January* 1879.

I quite agree with Mr. Burnett and Mr. Thompson's views on the subject of the "Factory Act."

During the last ten years we have had one accident with the machinery.

We employ on an average 800 to 850 women and 30 children of ages from five to ten in the garbling sheds (this does not include numbers of infants brought by their mothers who would otherwise have to remain at home out of work).

In this country it is not practicable to do as is done at home, namely, for several mothers to leave their children in charge of one, and pay her a proportion of their earnings.

Besides the above we employ about an average of 90 men and boys, the larger proportion being the latter.

Minute by Messrs. SCHLUNK BROTHERS *and* Co., *dated Calicut,* 7*th January* 1879.

We gladly have given our signature to Mr. Burnett's petition against the "Factory Act." We employ in garbling and preparing of native produce at Calicut and Badagara from 800 to 1,100 hands during the season. Half of the laborers would fall under the said Act and be prevented from regular work. Great as the loss would be to us—particularly as we have so short a season at Malabar—far greater would be the loss to the people, and we fear the Act would work very detrimentally to the welfare of the laboring classes of our coast.

REMARKS BY THE BOARD OF REVENUE.

With G. O., dated 12th December 1878, No. 2,504, the Government forward copy of a draft Bill on the subject of regulating labour in factories and copy of a letter from the Government of India inviting the fullest criticism on all and every point connected therewith. In paragraph 2 of the Government Order it is stated that information is especially needed on the following points :—

(*a*) What manufactures and processes would appropriately come under clause (*f*) of Section 2.
(*b*) What payment should be made to Inspectors to be appointed under the Act.
(*c*) How funds might be raised to meet such payments.
(*d*) How the age of children and young persons could best be ascertained in the absence of any general system of registering births.

Messrs. Melville, A. McC. Webster, W. Logan, and C. S. Crole.

2. The Board consulted the officers marginally named, and the letters received from them will now be forwarded for the information of Government.

3. Mr. Melville proposes that the following manufactures and processes should be included in Clause (*f*), Section 2 :—

1. Cotton mills.
2. Cement works.
3. Cotton presses.
4. Paper manufactories.
5. Clock manufactories.
6. Printing presses.
7. Tanneries.
8. Indigo dyeing factories.
9. Railway workshops.

Mr. Webster considers that all factories where young persons under sixteen years of age are employed should be included in Clause (*f*), Section 2, and mentions that the only factories in his district are coffee-curing and cotton pressing and cleaning establishments which would come under Clause (9), Section 2, if employing more than fifty hands.

4. No suggestion is offered as to the amount of salary to be paid to Inspectors.

5. Mr. Melville is of opinion that Inspectors should receive a fixed sum per mensem, and proposes that all fines recovered under the Act should go to form a fund for payment of inspection. Mr. Webster considers that special Inpectors are unnecessary as the work could easily be done by the District Magistrate or some other First-class Magistrate deputed by him.

If, however, special Inspectors are appointed, he would pay them from Imperial or Provincial revenues as he considers that with the license-tax so recently imposed a new tax on the industries concerned would be peculiarly inexpedient.

6. Mr. Melville considers that the ages of young children would only be determined by Medical Inspectors, and proposes accordingly that the Inspectors under the Act should be medical men. Mr. Webster would require all children and young persons applying for work to produce a certificate of age from the head of the village who would be in a better position than any one else to form a tolerably correct estimate of their real age. Employers, he considers, could only be justly held criminally liable in gross cases where it was obvious that due caution had not been exercised in forming an opinion as to the age of an applicant.

7. Mr. Melville offers no opinion as to the necessity of an Act of the kind. Messrs. Webster, Logan, and Crole unite in strongly deprecating it as altogether uncalled-for and calculated to most injuriously affect both employers and work-people. Referring to the industries mentioned above as prevailing in Coimbatore, Mr. Webster points out that wages are paid by piece-work. "Mothers bring their young children with them, and these help to increase the earnings of the family. The work is light and particularly suited to children, consisting, as much of it does, in picking out and sorting the berries. The children, cannot be left at home, and, even if they were, they would be badly looked after and constantly in mischief, whereas at present they are clean and happy." He also forwards a strong protest against the Bill in the shape of a demi-official letter from Mr. Stanes, with regard to which he writes: "His name alone, as the Board are doubtless aware, is a guarantee that he has the good of the people at heart. No man has done more for the education, enlightenment, and well-being of the people in Coimbatore or on his estates than he and his brother, and his opinion is entitled therefore to great weight."

8. Mr. Logan reports that he has consulted the various European firms in his district and understands they are of opinion that the Act, if passed, is likely greatly to

prejudice their interests. They are embodying their views in a memorial. Mr. Logan seems to concur with Mr. Webster in considering that in the present state of the country the employment of young children in connection with the prevailing industries of the district is a great boon both to the parents and to the children themselves.

9. Mr. Crole points out that the Bill as it stands "would prohibit the children of handicraftsmen from assisting their parents and so learning their trade in the immemorial manner of the country. It would be illegal for instance for the child of the cotton-spinner to turn the wheel for her mother, or for the sun of the smelter of iron to help to keep the rude furnace bright," and he considers that the direct effect of any such Act would be "to inflict a check on the rising cotton-spinning, weaving, and other trades, on the prosperity of which India bases her sole hope of ever dealing with the other nations of the world on terms of commercial equality and of attaining sound and elastic fiscal conditions.

10. As regards accidents from machinery, Mr. Logan is of opinion that Section 287 of the Indian Penal Code enacts all that seems required at present to guard against negligence.

11. The Board concur generally with Messrs. Webster, Logan, and Crole, in considering that the Bill is in advance of the present wants of the Presidency.

J. STURROCK,
Acting Secretary.

Chamber of Commerce, Madras, 31st January 1879.

TO THE ACTING CHIEF SECRETARY TO GOVERNMENT,
Fort Saint George.

SIR,—This Chamber has the honor to acknowledge Proceedings of Government, No. 61, of 12th December 1878, forwarding copy of letter from the Secretary to the Government of India (Department of Revenue, Agriculture, and Commerce) to the Acting Chief Secretary to Government, dated Simla, 4th November 1878, with draft of a Bill to regulate labor in factories, and asking for information on certain specified points.

The Chamber have carefully considered the remarks of the Local Government, of the Secretary to the Government of India, and the draft Bill, and I am requested to make the following report and remarks :—

The draft states that the Bill shall come into operation on the 1st instant, but it is presumed that this date will subsequently be altered.

Government inquire what manufactures and processes would appropriately come under Clause *f* of Section 2. In reply I am requested to point out that the industrial manufactures are as yet in their infancy in India, and the Chamber take this opportunity to urge upon the Government the great importance of fostering in every manner possible attempts to produce locally articles which now have to be procured from other countries. The present difficulties in exchange have, it is well known, attracted the attention and serious consideration of the Indian Government, and the Chamber need do no more than point out that, irrespective of many other advantages to the country which would follow the opening up of new channels of employment to Indian labor, any manufactures which would diminish the amount which at present is annually paid for imported articles, and thus increase the balance of trade in favor of India, must have a beneficial effect upon exchange.

The Chamber is obliged to confess with regret that at present the opportunities for applying a Factory Act in India are very few; beyond cotton-spinning and weaving and the manufacturing of gunny bags, it is believed that few branches of manufactures exist to which the Act could be applied. It might, however, be sufficient, if the object is to give completeness to the section in question, if a paragraph somewhat to the following effect were added :—

"Any premises in which any trade or manufacture is carried on by means of special machines, the motive power of which is not under the control of the persons working at such machines."

The Chamber wish to point out in regard to Clause *g* of Section 2 that as regards Southern India it is expedient to provide special exemptions for coffee and oil yards, and places where coir yarn and coir matting are manufactured by the usual

simple native processes. The clause as it stands would bring within the operation of the Act any premises on or within the precincts of which fifty or more persons are employed in any manual labor exercised by way of trade in, or incidental to, the making of any articles or part thereof, of the altering, repairing, ornamenting, finishing, "*or otherwise adapting the same for sale.*" Coffee yards or curing establishments employ several hundreds of hands, and the work carried on undoubtedly is the *adapting* of coffee *for sale.* Oil yards employ large numbers of operatives in the making or packing, cooperage, and otherwise preparing oil for sale, but it can hardly be intended to apply the operation of the Act to such matters as garbling of coffee, or the various processes connected with the extraction and preparation of cocoanut oil. Similiarly with regard to the coir yarn and coir matting manufactures, which are carried on largely on the West Coast in every native village and with which the natives are quite familiar. It can hardly be intended, the Chamber supposes, to bring under the operation of the Act simple processes of this kind in cases where more than fifty persons may be collected to work together under skilled superintendence.

In regard to the payment of Inspectors, and the question how funds may be raised to meet such payments, the Chamber would point out in the first instance that in England such payment is invariably made by the Government, and is not in any way a charge upon mill-owners; and the Chamber venture to consider that, as the measure is introduced presumably for the benefit of the general community, its expense is a legitimate charge upon public funds; and further—though this consideration may not be deemed worthy of much weight—that in developing manufactures in India the promoters have many difficulties and expenses to contend with which are not known in countries where such manufactures have taken root and skilled operatives can readily be procured, and that it is not desirable to increase the expenses and difficulties against which such promoters have invariably to contend.

In regard to the special application of these sections to Southern India, the Chamber would point out that so far as they are aware, with the exception of Public Works and Rail-

way Workshops, and some three or four private institutions which would come under Clauses, *c*, *d*, and *e* of Section 2, and assuming that coffee works and oil yards are exempted, the only premises in this Presidency which would be subject to the operation of the Act are the three cotton mills in Madras and the gunny mill at Chittavalsah. It is probable that there might be difficulties in finding one Inspector qualified to work and apply the Act to all the different branches of industry which come under the Act. A special technical knowledge would probably be required in regard to cotton and gunny mills, and, with respect to this Presidency, it would seem inadvisable to appoint an Inspector specially for the duty of supervising four industrial undertakings, one of which is situated at a considerable distance from the other three. In Bombay and Calcutta, where there are many mills, there would probably be employment for a qualified Inspector in each town. The Chamber venture to offer the suggestion that, for the present, it would be sufficient in this Presidency if the Collector of the district were vested with the powers of the Act in regard to such questions as the employment of labor under Section 5, while in regard to Sections 6 and 7, it might be desirable to obtain the services of the Bombay or Calcutta Inspector to make, say, an annual inspection, and point out to the said Collector what he might consider necessary.

In answer to the Government inquiry, how the age of children and young persons could be best ascertained in the absence of any general system of registering births, it appears to the Chamber that the Government medical officers would probably be more competent to lay down rules, if any are to be laid down, for guidance in this particular, but they would suggest that, as cases must frequently occur in the courts of justice in this country where disputes arise as to the age of witnesses or culprits, the evidence which is usually sufficient to satisfy the Judge might also be sufficient to satisfy the Collector of the district, or an Inspector.

I have now to remark on what is felt to be the most important portion of the proposed Act—the provisions as to the hours of labor for persons under the age of sixteen years. I

am requested to point out that the Bill, as framed, creates three different classes of laborers—"children" from eight to twelve years of age, who are not to be employed more than six hours a day; "young persons" from twelve to sixteen, who are not to be employed more than eight hours a day; and persons above sixteen, upon whose labor there is no limitation. I will refer immediately to the inconveniences which will attend this division of classes; but before doing so, I am requested to state that in English factories there are only two divisions, viz., "half-timers" and "full-timers." Persons under the age of fourteen years are considered "half-timers," above that "full-timers." The Chamber would remark that there seems to be no reason why the standard for full-time labor should be higher in India than in England. If an English boy or girl is considered fit to do a full day's work at the age of fourteen, there can surely be no reason—considering the greater precocity of the natives of India—why a Hindu youth or young woman should be debarred from earning a full day's wage until he or she reaches the age of sixteen.

The Chamber would also remark that it is the ordinary custom and habit of people in India to employ children and young persons of the ages referred to in the Bill in ordinary cooly-labor in the fields, &c., for much longer periods than the hours which it is proposed to enforce.

The Chamber would submit that all the great public works undertaken by the Government in this country, and similar works by private contractors and others, are carried on largely by the labor of children, in many cases under eight years old, and young persons under sixteen (in fact it may be doubted whether the majority of the laborers ordinarily employed in such works are not under the age of sixteen) and there is no limitation whatever, except the ordinary custom of work from sunrise to sunset, on the hours of labor exacted from such work-people. It cannot, the Chamber think, be contended that severe physical work under the full blaze of a tropical sun is less injurious to the immature human frame than the easy labor in an airy and well-ventilated apartment which is required from mill operatives. Yet no proposal, so far as the Chamber are aware,

has hitherto been made to legislate for the younger classes of cooly-laborers employed on the public works and similar undertakings, nor is the present Act framed to apply to such labor, and it certainly does seem somewhat strange that the first attempt to restrict the hours of labor should be made in connection with (and the Chamber must be allowed to say in restraint of) endeavours to provide for the laboring population of this country, a work requiring much less physical endurance than their ordinary avocations, a work which is better paid, and which, it may fairly be claimed, is to a certain extent of an improving or educational character as compared with the ordinary labor of an Indian cooly.

I will now explain how the proposed legislation will injuriously affect the interests, not only of the mill-owners, but of their operatives. In Calcutta, according to the Chamber's information, the jute and cotton mills work sixteen hours per day, viz., from daylight to 10 P.M., the mills being lighted with gas after dark. For the day's work two sets of hands are employed, each working eight hours. So far, therefore, as regards the class of "young persons," no inconvenience will be found, for each young person can work the full shift of eight hours. It is different when we come to children, who will only be allowed to work six hours, for to complete the working day of sixteen hours there must be three shifts instead of two, thus reducing the actual working time of each child to $5\frac{1}{3}$ hours. Naturally the mill-owners will object to employ children under these circumstances, and will in preference employ the class who can work a full shift, and the effect will be to throw out of work all those classed as "children" under the Act. In Bombay, according to the Chamber's information, the hours of labor appear to vary considerably according to the work on hand, but the same system of shifts prevails, and probably the practice is very nearly the same as in Calcutta. The practical effect as regards persons under twelve will undoubtedly be to exclude them largely, if not altogether, from employment in the mills.

In Madras where gas is not available, the mills only work by ordinary daylight; say on an average 6 A.M. to 6 P.M., with

from 1 to 1½ hour's rest at noon. The average working day may be set down as eleven hours. At the Buckingham Mills no work is done on Sundays, but the hands get pay for those days. At the other mills the practice is to work alternate Sundays. It will be seen that, as the children cannot be employed more than six hours in one day, a factory working eleven hours will be obliged to employ two sets of children to do a day's work. In regard to the class of "young persons," as they cannot be employed more than eight hours, two sets of hands will again be required to complete the working day; but, as the second shift would only have three hours of daylight and would undoubtedly stipulate for full work or full pay, it would practically be impossible to bring on a second shift, and the plant worked by the "young persons" class would therefore, perforce, remain idle for about one-third of each working day. Under such circumstances "children" will be quite as valuable to the owners of the factories in Madras as "young persons," or, in other words, the practical effect will be that a boy will enter a Madras factory at eight years of age and work at child's pay till he is sixteen. The introduction of limited hours of labor in England was, the Chamber believe, in great measure due to the necessity for the children's receiving education at schools; such necessity has not as yet been recognised by the Government of India as applying to the children of this country, nor, so far as the Chamber are aware, is it intended that the reduced hours of labor shall be enforced for the purpose of devoting more time to education.

The proprietors have furnished the Chamber with some particulars regarding the working of the mill at Chittavalsah, which may be useful in showing the present conditions under which their operatives work, and how the same will be affected by the introduction of the proposed Act. The total number of operatives employed at Chittavalsah is 658, of whom 41 are under ten years of age; 206 under sixteen; 411 above sixteen. The average hours of labor are from daylight to dark, with the exception of Saturdays, when the engines are stopped at 5 P.M. Taking the whole year round, the average daily working hours may be stated at 11¼, or 67½ hours per week. No work is done on Sundays, but the workers get pay for those days. The

operatives appear to consider that abstention from work on one day out of the seven is an exotic luxury far beyond the means of the Hindu laborer, and that, if European employers desire to maintain in this country the peculiar institutions of their fatherland, they must not thereby prejudice the interests of operatives who are quite willing to work all through the week if allowed the opportunity, that employers are welcome to close their mills one day in seven if they prefer to do so, but that it would be gross oppression to withhold the day's pay from the operative who is condemned to enforced idleness. Work is stopped every working day at 12, and recommenced at 1-30, during the shorter days of the year, and at 2 during the longer. The operatives have, therefore, a mid-day rest averaging $1\frac{3}{4}$ hours. In this case it will be observed, with reference to Section 5, that it will be necessary in the case of children to employ two shifts—one for each half of the day. In regard to young persons under the terms of the Act, the allotment of time would be very difficult. They must either work till the hour of rest, and return to complete their shift of eight hours, obliging a second shift to be employed for the remaining three or four hours of daylight, which would occasion difficulties about the rate of pay for the second shift, or else the machines worked by them must remain idle for the remainder of the afternoon. Under these circumstances the tendency would be to replace them altogether by "children" under twelve. Practically, however, owing to the limited supply of skilled labour at such a place as Chitta-valsah, this would be impossible, and the actual effect will be to deprive the mill of the use of part of its plant for $3\frac{1}{4}$ hours daily, which, I need hardly point out, would be a serious matter to the proprietors, as the total outturn depends upon the joint and continuous work of all the separate parts of the plants. At present the operatives work not more than on an average $5\frac{1}{2}$ hours at a time, and have $1\frac{1}{2}$ to 2 hours (according to the season of the year) for intermediate rest and meal times. Such a day's work cannot be said to be beyond the average capacity of a young Hindu between the ages of twelve and sixteen. There can be no doubt that the hands employed in factory operations in this

Presidency are quite content with the regulations in force at the mills, and, from all the inquiries the Chamber has made, it does not appear that they feel in any manner inconvenienced, by the hours and regulations for labor, or that the changes such as it is proposed to introduce, would be popular with them. It may be much doubted whether the effect of such changes would be beneficial to them either physically or morally. As to the effect on their wages, of course mill-owners will endeavour to make a proportionate reduction, but the hands will rebel against this on the ground that they are perfectly willing to work the longer period if permitted to do so, and it is not just to prevent them from earning a full day's wage.

The Chamber would, therefore, suggest, in substitution for the provisions of Sections 4 and 5, that employment of children under eight be forbidden as proposed, but that no restrictions be placed on the hours of labor after the age of twelve, or, if this is not thought desirable, after the age of fourteen. The latter would assimilate the provisions of the Bill in this respect to those of the English Factory Act. But in regard to the hours of labor for persons between eight and fourteen years of age, the Chamber would draw attention to the preceding remarks on the different systems of working mills in force in Calcutta, Bombay, and this Presidency. Where artificial light is available, two shifts of eight hours each can be managed, and it would probably be no inconvenience to limit the duration of labor at the age under consideration to eight hours. But in regard to this Presidency where, as I have pointed out, only the hours of daylight are available, a limitation to eight hours would produce much complication and difficulty.

The last point affecting management on which I have to address you is with reference to Sections 6 and 7, the fencing of machinery. The Chamber would invite Government to consider whether the returns of accidents in mills support in any way the assumption that legislation in this respect is required. But to come to the special provisions of the Act, I am requested to point out that a provision for fencing all "mill-gearing," the definition of which is given as "every shaft whether

upright, oblique, or horizontal, and every wheel, drum, or pully, by which the motion of the first moving power is communicated to any machine," could only have been framed by some persons entirely unconversant with machinery. To fence *all* "drums" and "pullies" would enormously increase the danger—in some cases to such an extent as to render accidents inevitable. Drums should certainly not be fenced; the proper regulation to guard against accidents is the provision of belt-hangers, which would, no doubt, largely reduce the danger of belts lapping round the shafting. But in regard to both these sections, the Chamber take the opportunity to urge that a very great amount of technical knowledge would be required in an Inspector who could safely be trusted with such powers, which might in inexperienced hands prove very costly and oppressive.

There is one point more in the Act to which I am requested to refer, and that is the rate of penalty provided under Section 9—Rupees 200. The Chamber would merely remark that in England the fine fixed for similar offences is £5, and they fail to see why four times the penalty should be considered fairly leviable in India.

The Chamber would, with all deference to Government, remark, in conclusion, that it appears to them that, so far as this Presidency is concerned, the introduction of the proposed Act is somewhat premature, and they would suggest that, even should the Act be passed for the whole of India, it should be left to the discretion of the local Governments to make it operative in their respective Presidencies. They are not aware that any circumstances have transpired which call for legislation of this character. They do not consider that the present provisions of the Act will in any way be beneficial to the operatives; on the contrary they see grounds for thinking that their interests will be seriously and prejudicially affected. It must not be forgotten that a much larger number of operatives are employed and required in Indian mills than is needed in Europe for the same work. In Madras, at all events, from three to four times the number are necessary, and this must materially lighten the work of each individual as compared with that done by an English mill hand. In regard to proprie-

tors' interests, the Chamber fear that the Act cannot be introduced without a serious check to the development of what can only be described as new-born industries struggling to maintain an independent existence.

I have, &c.,

A. MACKENZIE,
Chairman.

Proceedings of the Board of Revenue, dated 13th February 1879, No. 408.

From Messrs. ALSTONS & Co., to E. N. OVERBURY, Esq., Acting Sub-Collector of Malabar, dated Tellicherry, 4th January 1879.

If the Act is intended to apply to such works as ours, it would operate very unpleasantly for us and for no one's benefit.

So much of our work is done by boys who have to attend twelve hours a day, but whose work probably takes no more than four or five.

I cannot say whether *many* children under seven are employed at all; there may be some who, if prohibited from working for us, will get work in the paddy fields, &c. If the intention of Government is to provide for the children's education, such a prohibition would not have the desired effect in these parts.

No child or young person ever comes into contact with any of our fly-wheels.

I hope it will be considered that coffee-curing works do not come under the operation of the Act. The boys are principally employed on the barbacues and not in the machine rooms.

From F. R FLETCHER, Esq., Representative of Messrs. Pierce, Leslie and Co., Coffee-curers and Agents, to E. N. OVERBURY, Esq., Acting Sub-Collector of Malabar, dated Tellicherry, 10th January 1879.

I have received your favor of the 7th instant enclosing copy of the draft Bill on the subject of regulating labor in factories, &c., and I presume coffee-curing works will come under Clause (*f*) of Section 2 as well as under Clause (*g*).

As far as protection from injury by machinery is concerned, all working machinery of, or in use at, the works here belonging to the firm I represent is so situated and protected that it is almost impossible for the employés to get injured in any way by it. No case of injury has occurred since the opening of the works seven years since. With regard to the employment of children; in the first place it will be most difficult to determine precisely whether applicants for work come within the denomination or not, and secondly a great many children of six and seven years of age, if not even less, can work at coffee-garbling without harm to themselves, as when employed they are always accompanied by their mothers or sisters, who have ample time to help the little ones with their work, and in fact bring them with the object of helping them through the day's work and so earning the pay of two women.

Young Person.—I am of opinion that it will be quite impossible for those in charge of coffee-works to determine whether a woman comes under this denomination or not, especially as sometimes 1,000 women are working at one time in our godowns on the beach, whilst 500 more are at work at Chonahdum (or our works). It is possible that some of the other houses here may even at times employ more than this at one time.

If the regulation that no young person shall be employed in any factory for more than eight hours on one day is enforced, I believe that it will do considerable injury to the coffee-curing and shipping interest, as a great many women who can now do ten hours coffee-garbling without any injury whatever would be unavailable at a time when there is pressing need of all the labor procurable.

Although this work is very light, it is protracted, and I certainly do not think that any advantage would accrue to the laborers or their employers through shortening the time—at present usual—for a day's work among women employed to garble coffee.

Cooly Labor.—In coffee works this is of an intermittent nature chiefly, and not continuous labor. I do not believe that the proposed regulations would benefit the coolies employed in works like ours.

From Messrs HINDE AND CO., to E. N. OVERBURY, Esq., Acting Sub-Collector of Malabar, dated Tellicherry, 25th January 1879.

The first point for question, so far as my firm are interested, is whether coffee works will come within the meaning of the Act "as a factory." If it is, I consider the Act will be very objectionable in its present form not only to merchants, but, what is of more importance, a very serious deprivation to natives. As you are aware it is the habit of garbling-women to bring their children with them to the works; unless they can do so, they would be unable to attend, and thus be prevented from following their occupation. Again, those who would come within the meaning of the Act as children would not be allowed to assist in the process of garbling for which they are well qualified. The objections that usually apply to employing children in factories would not apply to these species of works, as there is no machinery in that portion of the works where they are employed, and, as the shed is an open one, the objection on sanitary grounds cannot be upheld. Any interference by Government that would tend to prevent the women following their occupation would not only be a great hardship on the natives, but work most detrimentally to merchants, for it would, in fact, seriously interfere with the preparation of staple articles of produce on this coast. If the Act is, therefore, held to be applicable to coffee works, it should be provided that it should apply only to such portions thereof where machinery was used. Considering, however, the few people employed—and those principally adults—in the sheds containing the machinery, it seems to me that coffee works may safely be excluded from what comes within the meaning of the Act as a "factory."

ORDER THEREON, 1st May 1879, No. 1,003.

Ordered that the foregoing reports on the Bill to regulate labor in Factories be forwarded to the Government of India in the Department of Revenue, Ariculture and Commerce, together with these Proceedings, with reference to their Secretary's letter, dated 4th November 1878, No. 1.

2. His Grace the Governor in Council, on consideration of the reports and of the measure proposed, concurs generally

in the objections taken by officers consulted to the Bill, which appears to the Government to be almost absolutely superfluous in this Presidency; but is of opinion that, if it be enacted, its application should be left in the hands of Government as regards individual factories.

2. On the general provisions, it is observed that it is not provided who shall have jurisdiction and how penalties shall be enforced; and as regards "fencing machinery," the Government are of opinion that Section 287 of the Indian Penal Code gives sufficient power. They consider that power should be taken to inspect and enforce necessary sanitary arrangements with reference to ventilation and provision of latrines. As regards the employment of juveniles in factories as defined in the Bill, they concur in the opinion that the measure goes far beyond what is necessary. The sole need appears to them to be to ensure that no mere child should be deprived of its natural rest; and, for this object, they consider that in their case it would suffice to prohibit employment before 6 A. M. or after 6 P. M., or continuously for more than three hours at a time, or without an interval of at least one hour between shifts. They would define the term "child" at thirteen years and under, and prohibit the employment of any one in a factory for hire who is under six years of age, and would leave it to Magistrates to decide as regards age. It is recommended that organized labor in factories on Sundays be prohibited altogether, as they are convinced that one day's rest in seven is physically and socially most desirable and beneficial.

C. G. MASTER,
Acting Chief Secretary.

Proceedings of the Madras Government, Judicial Department, dated 24th November 1879.

Read the following paper:—

From D. FITZPATRICK, Esq., Secretary to the Government of India, Legislative Department, to the Acting Chief Secretary to Government, dated Simla, 15th November 1879, No. 1,193.

I am directed to forward, herewith, forty copies of the papers,* and to request that His Excellency the Governor in

* Bill to regulate labor in Factories.
Statement of Objects and Reasons of the above Bill.

Council will favor the Government of India in this Department with an expression of his opinion on the provisions of the Bill, and with the opinions of such officers as His Excellency in Council may think fit to consult on the subject.

2. I am also to request that the Bill and Statement may be published in the *Fort St. George Gazette* in English, and in such other languages as His Excellency in Council may deem proper, and that the dates of such publication may be communicated in your reply.

3. The reply to this letter should be sent in by the 1st January 1880.

ORDER THEREON, 24th November 1879, No. 2,930.

His Grace the Governor in Council resolves to request the Honorable the Judges of the High Court, the Board of Revenue, the Chamber of Commerce, Trades Association, and the Officers marginally noted, to offer their remarks on the Bill to regulate labor in Factories, and to communicate the same to Government by the 15th December 1879.

The Advocate-General, Collectors of South Arcot, South Canara, Bellary, Cuddapah, Chingleput, Coimbatore, Ganjam, Godavari, Salem, Tinnevelly, and Vizagapatam.

C. G. MASTER,
Acting Chief Secretary.

Chamber of Commerce, Madras, 24th December 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort Saint George.

SIR,—The Chamber of Commerce have had under consideration the Proceedings of the Madras Government Judicial Department of the 24th November, No. 2,930, covering the amended Bill for regulating labor in Factories.

The Chamber still think that the limit of a child's age should be 13 and not 12 as provided in this Bill; and with regard to the hours of employment provided for in Section 5, the Chamber prefer the views enunciated by the Madras Government in their Proceedings of 1st May 1879, No. 1,003, to those embodied in the Bill. The Madras Government remark: "The sole need appears to them to be to ensure that no mere child should be deprived of its natural rest; and for this object

they consider that in their case it would suffice to prohibit employment before 6 A. M. or after 6 P. M. or continuously for more than three hours at a time, or without an interval of at least one hour between shifts. They would define the term child at thirteen years and under, and prohibit the employment of any one in a factory for hire who is under six years of age, and would leave it to Magistrates to decide as regards age."

The Chamber still hold the same objections to the appointment of Inspectors in this Presidency, and to the heavy fines imposable under the Bill, that they urged in their letter of the 31st January last.

I have, &c.,

P. MACFADYEN,

Chairman.

I.

REGISTRATION OF NATIVE PARTNERSHIPS.

Chamber of Commerce, Madras, 17th September 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,

Fort Saint George.

SIR,—The Chamber have desired me to direct the attention of the Madras Government to their Proceedings in the Judicial Department, dated 19th July 1867, wherein will be found a letter from this Chamber urging upon the Government the necessity of some legal measure for making the registration of native partnerships compulsory under penalties. The Bombay and Bengal Chambers of Commerce, and a considerable number of native Bankers and Merchants in the former Presidency, were unanimous in asking the Government of India to legislate in this direction, and the Government were pleased to observe that the state of things brought to notice in the appeals from the Bombay Chamber of Commerce led the Governor General in Council to think "that a measure requiring the registration of partnerships might now be introduced to the Council with a reasonable prospect of its ultimate adoption, provided it were confined to purely commercial partnerships, and if its operations were limited at all events in the first instance, to the Presidency towns."

Having been requested to report on the details necessary for registration, the Chamber (21st October 1867) recommended that the following particulars should be recorded in any registration of partnerships:—(1) the style of the firm, (2) the names and residences of partners, (3) the places of business, and the names and residences of the agents where they are the immediate servants of the firm, and not independent traders, (4) every change in the constitution of the firm involving the retirement or introduction of a partner.

The Chamber pointed out that the chief object of registration is to enable those who had dealings with a native firm to ascertain who are liable for its debts, and they added that the position of persons who became partners by construction for the purpose of showing the liabilities of insolvent firms should be protected against interference by any enactment for compulsory registration.

The Chamber do not appear to have been informed why the Government did not proceed with the legislative measure which seems to have been contemplated, but they assume that the proposed registration of trust deeds and gifts may, to use the words of Mr. Stokes's letter of 31st July 1867, have been found to involve "so many grave political difficulties" that it was deemed expedient to let it stand over for further consideration. With regard to this part of the proposed law, this Chamber would, as pointed out in 1867, be satisfied with such a measure as would tend to check fraudulent dealings with property to the injury of others; nor do they understand that there should be insuperable difficulties in the way of passing a law containing provisions of so reasonable a character. They trust therefore that the question of compulsory registration may be carefully reconsidered by the Government of India in the Legislative Department. The Chamber do not doubt that the Madras Government will agree with them that the enclosed correspondence between the Bombay Chamber of Commerce and the Bombay Government clearly demonstrates the necessity of legislation in the direction urged by the Indian Chambers of Commerce twelve years ago.

I have, &c.,

P. MACFADYEN,

Chairman.

ORDER THEREON, 4th October 1879, No. 2,567.

His Grace the Governor in Council is of opinion that the Chamber of Commerce should address the Government of India direct, on the subject of their letter recorded above.

C. G. MASTER,
Acting Chief Secretary.

Chamber of Commerce, Madras, 29th October 1879.

TO THE SECRETARY TO THE GOVERNMENT OF INDIA,
Legislative Department.

SIR,—With reference to the Proceedings of the Madras Government, No. 2,567, dated 4th October 1879, copy of which is annexed, I have the honor to forward herewith for the consideration of the Government of India, in the Legislative Department, a copy of this Chamber's letter, dated 17th September 1879, on the subject of the registration of native partnerships in India. The Chamber venture to hope that the Government of India will give their serious attention to this important question.

I have, &c.,
P. MACFADYEN,
Chairman.

Proceedings of the Madras Government, Judicial Department, dated 28th January 1880.

Read the following letter from the Government of India, Home, &c., Department, dated 14th January 1880, No. 82.

I am directed to forward copy of a letter from the Honorable P. Macfadyen, expressing the views of the Madras Chamber of Commerce, on the subject of the proposal for making the registration of partnerships in India compulsory.

2. I am to request that, with the sanction of His Excellency the Governor in Council, the Chamber may be informed that the Government of India are anxious to give their best consideration to any practical proposal that can be made for effecting the proposed registration, and at the same time avoiding interfer-

ence with the Indian custom whereby members of Native firms often belong to undivided families. A copy of the enclosed letter which conveys to the Government of Bombay the views of His Excellency the Governor General in Council on the matter, might, I am to suggest, be communicated to the Chamber of Commerce.

ORDER THEREON, 28th January 1880, No. 198.

Ordered that the foregoing papers be communicated to the Chamber of Commerce, Madras.

H. B. GRIGG,
Acting Under Secretary.

J.

THE MERCHANT SHIPPING BILL.

Proceedings of the Madras Government, Marine Department, dated 2nd April 1879.

Read the following paper :—

From A. MACKENZIE, Esq., Chairman, Chamber of Commerce, to the Chief Secretary to Government, dated Madras, 14th December 1878.

(*Vide the Chamber's Annual Report for* 1878, *page* 68*a*.)

ORDER THEREON, 2nd April 1879, No. 189.

In passing orders in their Proceedings, dated 18th October 1878, No. 534, on the reports submitted on the Indian Merchant Shipping Bill, 1878, or a Bill to provide for the detention of unseaworthy ships, and for the appointment of health officers, the Government did not, in their observations on the provisions of the proposed measure, notice the representation of the Madras Chamber of Commerce that by Section 25, the *owner*, or, under the definition, the *agent*, was to be liable to Government for costs incurred in the detention and survey of the ship, while it would often happen that the agent had not

sufficient funds of the owner in his hands, and their suggestion therefore to make provision in the Bill that the Government would hold an agent responsible only up to the extent of the owner's funds in his hands. The Chamber now address Government again on the subject, and ask that a proviso be inserted setting forth that an agent shall only be responsible to the extent of such funds of the owner as he may happen to hold, and that if such funds prove insufficient to discharge the claims against the ship, the remedy of the Government shall be on the owner's property, whether in the agent's hands or not, and not on the agent personally.

2. It appears to His Grace the Governor in Council that practically the responsibility of the agent would be nil; and therefore he is not disposed to agree with the Chamber. His Grace in Council, however, sees no objection to limiting the agent's liability to the property as well as the funds. This would made the agent responsible to the extent of the ship and her belongings in port, but would not make him responsible to the extent of funds belonging possibly to other owners which might happen to be in his hands at the time: his own funds he, of course, risks by engaging in the business.

3. Ordered that the Chamber's letter be forwarded for the consideration of the Government of India, in continuation of the papers submitted with this office letter, dated 17th October 1878, No, 535.

C. G. MASTER,
Acting Chief Secretary.

Proceedings of the Madras Government, Judicial Department, dated 22nd September 1879.

Read the following letter:—

From the Government of India L. D. dated 9th September 1879, No. 911, referring a Bill relating to Merchant Shipping for the opinion of this Government, and requesting that such opinion should be communicated by the 15th October 1879.

ORDER THEREON, dated 22nd September 1879, No. 2,450.

His Grace the Governor in Council resolves to request the Honorable the Judges of the High Court, the Board of Revenue,

and the Chamber of Commerce and the officers marginally noted, to offer their remarks on the Bill relating to Merchant Shipping and to communicate the same to Government before the 8th October 1879.

The Advocate-General, the Master Attendant, the Chief Presidency Magistrate, the District Magistrates of Godaveri, Kistna, Nellore, Chingleput, S. Arcot, Tanjore, Tinnevelly, Madura, Malabar and S. Canara.

2. * * *

3. * * *

C. G. MASTER,
Acting Chief Secretary.

Chamber of Commerce, Madras, 9th October 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort Saint George.

SIR,—The Chamber have had under consideration the Proceedings of Government Judicial Department dated 22nd September No. 2,450, together with the Draft of Merchant Shipping Bill 1880. The Chamber desire me to express their gratification that the obnoxious clauses regarding the responsibilities of ship agents in India have been omitted in the new draft of the Bill. I am to add that, in its present shape, the Bill seems to be well adapted for the purposes for which it is intended.

I have, &c.,
P. MACPADYEN,
Chairman.

K.

PROBATES AND LETTERS OF ADMINISTRATION.

Proceedings of the Government of Madras, Judicial Department, dated 16th May 1879.

Read the following paper :—

From C. BERNARD, Esq., C. S. I., Officiating Secretary to the Government of India, Home Department (Judicial), to the Acting Chief Secretary to Government, dated Simla, 7th May 1879.

The correspondence ending with your letter, No. 1,927, dated the 20th September 1878, discussed a proposal to extend the

currency of Probates and Letters of Administration granted by a High Court, so as to make them valid without and beyond the Indian dominions of Her Majesty. I am now directed to say that, after careful consideration of the cases of alleged hardship brought to notice by the Madras Chamber of Commerce, the Government of India see no present necessity for amending the law in the manner proposed.

2. I am further to add that a practice has lately grown up at Calcutta whereby Agency houses charge a commission for administering to the estates of deceased persons. Under Section 56 of Act II of 1874, this practice constitutes a direct breach of the law, and is considered to be punishable under the Penal Code. Further, the levy of commission in such cases is prejudicial to the system which makes the office of Administrator-General self-supporting. With the object of putting a stop to these practices, the correspondence which took place with the Administrator-General on the subject was published in the supplement to the *Gazette of India*, dated 22nd March 1879. The amendment proposed by the Chamber of Commerce would give private Executors and Administrators the same facilities in taking out Probates as are enjoyed by the Administrator-General under Act II of 1874, and would tend to facilitate the practice which it is the object of the Government to prevent.

ORDER THEREON, 16th May 1879, No. 1,155.

Communicated to the Chamber of Commerce and the Government Solicitor, with reference to G. O., dated 20th September 1878, No. 1,926.

C. G. MASTER,
Acting Chief Secretary.

Chamber of Commerce, Madras, 10th September 1879.

TO THE ACTING CHIEF SECRETARY TO GOVERNMENT,
Fort Saint George.

SIR,—In May last you were good enough to communicate to this Chamber a letter from the Home Department of the Government of India, dated 7th May 1879, No. 511, stating that after a careful consideration of the Chamber's proposal to extend the currency of Probates and Letters of Administration granted by

the High Court so as to make them valid outside the limits of British India, the Government of India saw no necessity for amending the law in the manner proposed. It was further stated that the practice which has long been observed by Agency Houses in India of charging a commission for administering to the estates of deceased persons was "considered" a breach of Act II of 1874, punishable under the Penal Code, and that the proposals made by this Chamber "would give private executors and administrators the same facilities in taking out Probates as are enjoyed by the Administrator-General under Act II of 1874, and would tend to facilitate the practice which it is the object of the Government to prevent."

You are aware that this Chamber do not take the same view as that enunciated by the Government of India as to the necessity or desirability, on public grounds, of making the office of Administrator-General a very lucrative one, an end which could only be gained, it seems to the Chamber, by an unwarrantable interference on the part of Government with the liberty of both testators and of executors. Nor are the Chamber prepared to admit, without some authoritative ruling of a Court of Law, that the long-established practice of charging commission on obtaining security for the administration of estates can be considered a breach of the law or an offence punishable under the Penal Code. At all events the Chamber are in a position to assure the Government that the opinion given by the Home Secretary of the Government of India is not shared by a gentleman of the highest eminence in the legal profession, and who is peculiarly entitled to speak with authority on the subject. Mr. T. H. Cowie, formerly Advocate-General of Bengal, having been referred to for his opinion on certain questions that were submitted to him in connection with the Administrator-General's Act of 1874, replied as follows :—

1. "I am of opinion that the Act of 1874 is not obligatory and does not compel executors, &c., to place the administration in the hands of the Administrator-General. The 56th Section itself obviously contemplates the existence of administrators other than the official one, and the 3rd and 15th Sections point to persons having a right to administration superior to that of the Administrator-General. A person holding a power of attorney from the English (or other foreign) representative to take out administration in India would come within the meaning of 'next of kin,' as defined in Section 3,

and such a person has always been held by the Indian Courts to have the superior right.

2. "I cannot concur in the views which appear to have been taken by the Advocate-General and Mr. Collis. To make the taking of commission a criminal breach of trust it would have to be shown that the commission was misappropriated with the *intention* of causing loss by unlawful means to the persons interested in the estate. The facts stated in the case (and my Indian experience enables me to say that they are correctly stated) are quite opposed to the existence of any such intention. The words of the Penal Code are no doubt wide, but they must receive a reasonable construction. As for misdemeanors the Penal Code knows nothing of them and the Act of 1874 does not make the taking of commission an offence otherwise than by prohibiting it.

3. "I am not aware of any practice in India by which a special case can be submitted for the opinion of the High Court.

4. "The only course I can suggest for adoption by Indian Houses is this. In every case where it is possible they should require the power of attorney in favor of a member or members of their Firm to be given not only by the English Executor or Administrator but also by the residuary legatees, or next of kin, or such of them as may be *sui juris*. In passing the administration account in the High Court no charge for commission should appear, but when the assets are remitted home the charge should then be made in an account which should be in the form of an ordinary agency account; the Bengal Chamber of Commerce rates would have nothing to do with this."

The Chamber desire me to take this opportunity of forwarding for your consideration the copy of a memorial presented to the Governor-General in Council by certain Merchants, Agents and Bankers in Calcutta which seems to this Chamber to throw much new light on the question as to what are the legitimate functions of an Administrator-General in India. It remains only for me to add that the conclusions arrived at in this memorial are unanimously shared by the members of this Chamber.

I have, &c.,

P. MACFADYEN,
Chairman.

ORDER THEREON, 19th September 1879, No. 2,422.

This communication will be transmitted to the Government of India.

L.

MERCANTILE HOLIDAYS.

Proceedings of the Madras Government, Judicial Department, dated 11th February 1879.

Read the following paper :—

From A. MACKENZIE, Esq., Chairman of the Chamber of Commerce, to the Acting Chief Secretary to Government, dated Madras, 21st October 1878.

(*Vide the Chamber's Annual Report for* 1878, *page* 91.)

ORDER THEREON, 11th February 1879, No. 278.

Having given the circumstances set forth in the foregoing letter full consideration, His Grace the Governor in Council is not prepared to move in the direction suggested by the Chamber of Commerce. The two cases adduced are only instances of disputes of a most ordinary kind. In the Bombay case the charterers made their agreement with full knowledge of the season of the year ; and the probability is that the days on which demurrage was claimed were ordinary working days, for the case is not fully and clearly stated. Moreover, it is purely a Bombay case. The Cochin case is an instance where the charterers did not wish to work, and therefore would not accept the fair offer of the Ship Master to himself pay the extra fees ; and the question raised was the correct meaning of a loosely worded phrase in their own agreement.

2. This Government do not feel called upon to move in the Bombay case ; and they do not consider that the Cochin case furnishes any foundation for an alteration of the law, or for any special legislation on the question of mercantile holidays.

3. Copy of the foregoing letter of the Chamber of Commerce will be furnished to the Collector of Malabar, and he will be requested to report on what authority extra fees were charged at the Cochin Custom House for doing regular work during the holidays other than Christmas day or New Year's day.

C. G. MASTER,
Acting Chief Secretary.

Proceedings of the Madras Government, Judicial Department, dated 21st May 1879.

Read the following paper:—

From E. N. OVERBURY, Esq., Acting Sub-Collector in charge of the District of Malabar, to the Acting Chief Secretary to Government, dated Calicut, 16th May 1879, No. 34.

Referring to the 3rd paragraph of G. O., No. 278, dated the 11th February 1879, Judicial Department, I have the honor to submit, for the information of Government, that the Superintendent of Sea Customs, Cochin, who was called on by me to report fully on the authority on which extra fees were charged by him for doing regular work during holidays other than Christmas day or New-year's-day, cites "the Revised Rules for the levy of fees by Customs and Marine officials for working overtime and on Sunday and close holidays" sanctioned in the marginally-noted G. O., Marine Department, and denies having charged any fees during the Christmas vacation of 1877 except as in conformity with Rules 2 and 3 *suprâ*.

Dated 28th August 1877, No. 493.

2. I would, in justice to the Superintendent, also beg to observe that the notice circulated at Cochin before the Christmas holidays in question, and adverted to in paragraph 6 of the letter from the Chamber of Commerce, Madras, whereon the Government Order under acknowledgment is issued, makes no allusion whatever to extra fees, but is worded as usual, in precisely the same terms in which the *Fort St. George Gazette* notice is published. It runs thus:—

"The Sea Custom House will be closed for the Christmas holidays from Saturday the 22nd instant to Thursday the 3rd January 1878, both days inclusive.

"Provision will be made *on application* for despatch of emergent business during the vacation."

ORDER THEREON, 21st May 1879, No. 1,207.

The explanation is accepted, and will be communicated to the Chamber of Commerce, Madras, for their information.

C. G. MASTER,
Acting Chief Secretary.

M.

PROPOSED ABOLITION OF NIGHT TRAINS.

Chamber of Commerce, Madras, 4th September 1879.

To the Chief Secretary to Government,
Fort Saint George.

Sir,—It has been brought to the notice of the Chamber that the Madras Government are considering the expediency of abolishing the night service on the Madras Railway, in the hope of diminishing the cost of working the Railway, and thus indirectly reducing the payments now made by the Indian Government in the shape of guaranteed interest on the Railway.

The Chamber fully appreciate the objects the Government have in view, which in the present position of the finances of India must be allowed to be of the highest possible importance, and they would therefore gladly see any reductions made in the cost of working the Railway which can be effected without sacrificing the efficiency, or diminishing the earnings of the Railway. The Chamber are not in a position to point out where economies could be best effected in the spending departments of the Railway, but they may be permitted to suggest a doubt whether such a large Engineering and supervising staff is required now, when the Railway is finished, as was necessary when a considerable portion of the line was under construction. The Chamber are aware that the attention of the Railway officials has been directed to the necessity of keeping down establishments to the lowest possible limits consistent with efficiency, and they do not doubt therefore that a careful enquiry will be made by the Government with the view of reducing the supervising staff to the proportions of the diminished working staff.

The problem before the Railway authorities would seem to be this—how to reduce expenditure without at the same time diminishing the receipts of the Railway. It may be argued that as there are only a certain number of passengers and a given quantity of goods to be conveyed over the line during the twenty-four hours, these may as well be carried in two trains running by daylight as in two trains running one by day and the other

by night. The Chamber would merely remark that this argument ignores all considerations of public convenience, a matter which has much to do with the financial success of railways in other parts of the world, and which the Chamber venture to affirm cannot, for any lengthened period, be disregarded with impunity in India. That the stoppage of night trains would tend ultimately at all events, to diminish traffic and consequently receipts, there can, it seems to the Chamber, hardly be a doubt; and it is for this reason that the Chamber would earnestly beg of the Government to consider the possible consequences of such a step as the abolition of night traffic.

So far as the Chamber are aware no Railway Company in Great Britain has ever submitted a proposition to its shareholders to discontinue night traffic when the receipts have not enabled the Directors to declare a dividend of 5 per cent. For many years the Great Western Railway did not earn a higher dividend than that now made on the Madras Railway, and the present financial position of the London, Chatham and Dover Railway can hardly be said to compare favorably with that of the Madras Railway. The last thing, however, that the Directors of either of those great Home lines would think of doing would be to stop night traffic altogether because of the cost of working it. The Chamber do not understand how a policy of railway management which would be considered unenterprising and unbusinesslike in England can be reasonably expected to answer in India, and they would therefore venture to hope that the experiment of trying to make the public do with fewer conveniences for railway travelling than exist at present may not be attempted. Speaking generally, the Chamber are of opinion that it is better policy for a Railway, whether owned by the Government or by a Company, to study the convenience of the public, than to ask the public to study the convenience of the Railway.

The Chamber may take this opportunity of expressing their satisfaction at the reduction in third class fares which has been tried with satisfactory results in several of the Indian railways, believing as they do that in lower tariffs the Madras Railway Company will discover the secret of making the Railway more useful to the masses of the people, and, as a consequence,

less burdensome to the finances of the State. Looking at the average wage earned by the Indian laborer, even a fare of 2 pies per mile does not leave him a very large margin for expenditure on Railway travelling. There can be no doubt indeed that Indian railway fares are relatively high when compared with those prevailing in England, America, or the Australian Colonies. The Chamber might instance the railways in the Colony of Victoria as illustrating this view of the case. The railways in this Colony have been constructed by the Government from borrowed capital, and are now worked by the Government. The total capital expenditure, up to the end of 1876, was about 13½ millions sterling; 702 miles of line were open for traffic, and 260 miles under construction. The open line earned a net revenue of 4·93 per cent. on the capital, leaving about £40,000 only to be paid in the shape of interest out of the consolidated fund. Over 15,00,000 passengers were carried during the year, though the total population of the Colony was only 840,000 and spread over such a large area that there are only 9 persons to the square mile, as against 226 to the square mile in the Madras Presidency. But each passenger journeyed on an average 21 miles at an average cost of only 1¼*d.* per mile, a very low fare considering the average wage for labour in the Colonies. The Chamber venture to call the attention of the Government to the above figures in the belief that they would, if carefully studied, furnish some clue to the policy of railway management which must be adopted in India, in order to ensure that our railways may be financially successful.

In addition to the above particular considerations, the Chamber would urge generally that the *raison d'être* of the Madras Railway was not primarily that it might prove a financial success, but that it might open up the resources of the Presidency, and bring it within quick and easy communication with the rest of the Empire. In fact, the Chamber regard the creation of the Madras Railway, as part of the price which India has to pay for the benefits of English rule, and its working therefore must not be regarded from the average Rupee point of view. There is no doubt that the Madras Railway has fulfilled the political part of its mission, and it will in time benefit pecuniarily by the new

centres of trade that it has opened, and is opening up. But if the idea is allowed to prevail that the Railway must at all hazards be made to pay, then the Chamber venture to think that the Railway ought not to have been constructed on its present scale and equipment. If *cheap* inter-communication be the desideratum of India, the canals and trunk roads are the means to attain *that*. But the Indian Government have deliberately decided that a network of railways shall be spread over the whole of the country, and the Chamber cordially recognize the wisdom of that decision. They hope, therefore, that the Madras Government will not place this Presidency out of sympathy with the rest of India by sanctioning any measure that will detract from the advantages and the conveniences at present afforded by the Railway.

I have, &c.,

P. MACFADYEN,

Chairman.

N.

THE VALUE-PAYABLE SYSTEM ON RAILWAYS.

MEMORANDUM.

Simla, 27th June 1879.

I would like to have the benefit of advice in the following matter.

2. I have it in contemplation to make the value-payable system applicable to goods transmitted by Railway: the object being to enable the consigner to make the delivery dependent upon the payment by the consignee to the Post Office at the delivery station of the value of the goods.

3. The plan would be somewhat as follows:—

(1.) The consigner who wishes to take advantage of the system would address the goods to the consignee "care of the Post Office."

(2.) The consigner would make over the Railway receipt to the Post Office with indication of the value to be realized. The Post Office would transmit this receipt to the office of destination, but would not deliver it to the consignee until the latter had paid the value. On receipt of payment, the Post Office would hand the receipt to the consignee, who would then be able to claim the goods from the Railway.

(3.) The Post Office would pay at the place of origin to the sender the value so recovered, less 2 per cent. commission.

4. For the working of this system, the Railway would require to see that goods addressed "care of Post Office" were not delivered without production of the receipt. In other respects, I do not think that the Railway would have to take any cognizance of the arrangement. It would be an arrangement between the consigner and the Post Office. Similarly, the Post Office would have no concern with the goods; but merely with the custody of the receipt, and with the duty of delivering it to the consignee on payment by him of the value.

A. M. MONTEATH,
Dir. Genl. of the Post Office of India.

Copy forwarded to the Secretary to the Chamber of Commerce, Madras, with a request for the favor of remarks or suggestions on the proposal.

A. M. MONTEATH,
Dir. Genl. of the Post Office of India.

Chamber of Commerce, Madras, 22nd July 1879.

TO THE DIRECTOR GENERAL OF POST OFFICE OF INDIA,
Calcutta.

SIR,—I have the honor to acknowledge the receipt of your letter of the 27th ultimo, in which you submit for the opinion of this Chamber, a proposition to extend the value-payable system to goods transmitted by Railway, your object being to enable the consigner to make the delivery dependent upon the payment by the consignee to the Post Office at the delivery station of the value of the goods.

The Chamber are not prepared to say that this scheme might not serve the convenience of tradesmen who might thus look to the Post Office to collect bills for goods forwarded to up-country customers, but apart from the question whether it is desirable that the Government should attempt to perform duties which private traders would probably do better for themselves, the Chamber take leave to doubt whether a public office should undertake any of the risks and responsibilities that would be inevitable in connection with the charge of goods,

perishable or otherwise, for which payment might not be forthcoming when delivery was offered. It is possible, of course, that the Post Office might frame such regulations for the working of the value-payable system on the railways as might protect the Government from any risk of pecuniary loss, but as it is observed that all goods would be directed to the "care of the Post Office," it is a reasonable presumption that cases might arise in which the responsibility of the Post Office for lost or damaged goods could not, in equity, be avoided.

For the above reasons, the Chamber regret that they are unable to approve of your proposition to extend the value-payable system to goods transmitted by the Railways.

I have, &c.,
P. MACFADYEN,
Chairman.

Simla, 22nd September 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—Referring to your communication dated 22nd July 1879, I have the honor to annex copy of a further Memorandum on the subject of the application of the 'value-payable' system to Railway goods traffic.

I have, &c.,
A. M. MONTEATH,
Dir. Genl. of the Post Office of India.

MEMORANDUM.

Simla, 2nd September 1879.

In a Memorandum dated the 27th June 1879, I gave a brief description of a plan under which I thought that the value-payable system might be applied to goods transmitted by Railway: the Post Office undertaking at the instance of the consigner to deliver to the addressee the Railway receipt after recovering from him the value of the goods; and the Railway undertaking not to deliver the goods without production of the receipt. The addressee having obtained the receipt from the Post Office would take delivery of the goods in the usual way

direct from the Railway; and the Post Office having received from him the value would remit it to the consigner (less 2 per cent. commission.)

2. I distributed copies of the Memorandum to the public bodies mentioned in the margin, requesting the favor of expressions of opinion. The opinions given may be summarized as follows:—

Agcy. East Indian Railway, Calcutta.
Chamber of Commerce, Bengal.
do Bombay.
do Madras.

The Agent East Indian Railway remarks that the matter is not one in which the Railway Company would have any immediate concern, as they would only deliver goods to the consignee or his order on production of the railway receipt and payment of all charges. But he regards the system as one likely to enhance delay in taking delivery of goods, thereby causing obstruction to the course of railway business, and giving rise possibly to disputes about demurrage. He further considers that no regular traffic could bear the 2 per cent. commission charge (for collection and remittance of value), and that few consignees would care to pay an enhanced rate in advance for goods which might turn out to be not in accordance with order.

The Bengal Chamber of Commerce considers that the proposed system is not likely to be made use of to any extent, unless the charge for commission were to be materially reduced. If it were reduced to ½ per cent., the Chamber thinks it probable that the system would be largely availed of.

The Bombay Chamber of Commerce intimates approval of the plan, but apprehends inconvenience from the divided responsibility of the Railway Companies and the Post Office. A suggestion is accordingly made that the Post Office should, on realization of the value, undertake the delivery of the goods to the consignee, instead of merely giving him the Railway receipt, and leaving him to take delivery himself.

The Madras Chamber of Commerce is not prepared to say that the scheme might not serve the convenience of tradesmen, but raises the question of the desirability of Government undertaking work which private traders would probably do better for themselves, and which would probably give rise to Government responsibility for lost or damaged goods.

3. The risk referred to by the Madras Chamber could, in my opinion be easily avoided: but there is probably force in the anticipation of the East Indian Railway Agency about the practical delay of delivery.

4. It seems also to be doubtful whether the plan would be practically useful without either a large reduction of the proposed rate of commission, or the acceptance by the Post

Office of work and responsibility in connection with the delivery of the goods.

5. I am not therefore (for the present at all events) prepared to go on with the scheme.

A. M. MONTEATH,
Dir. Genl. of the Post Office of India.

O.

THE BELLARY-HOSPETT RAILWAY.

Proceedings of the Madras Government, Public Works Department, dated 22nd March 1879.

Read the following paper :—

From Colonel A. FRASER, R. E., Secretary to the Government of India, Public Works Department (Railway), to the Secretary to the Government of Madras, Public Works Department (Railway), dated Fort William, 26th February 1879, No. 885 R.

I am directed to acknowledge the receipt of your letter No. 1,211 R., dated the 29th November 1878, furnishing information relative to the estimated cost of the proposed railway from Bellary to Hospett, 38½ miles, requesting that its temporary completion on the 5½ feet gauge may be sanctioned, and stating that the Madras Railway Company are prepared to undertake the working of the line free of charge to the State, the Company paying all working charges and retaining the gross receipts.

2. In reply I am to say that the Governor-General in Council, after full consideration of the facts brought to notice, is not prepared to sanction the construction of this line at present, and His Excellency in Council desires that the scheme should be held in abeyance, until such time as it can be taken up with the Carwar Railway system, of which this short length forms an outlying section.

3. It is observed from the Consulting Engineer's note, dated the 19th November 1878, attached to your letter that the sum of Rupees 3,94,521 has been spent on the road for earthwork and masonry up to 31st August 1878, and that the sum

of Rupees 2,75,000 will be required for bridges and culverts. It seems to the Governor-General in Council most desirable that the Government of Madras should, from its Provincial funds, finish the works, so far advanced, by putting in the necessary bridges and culverts, and also laying down sufficient ballast in order to allow the banks, &c., being used as a first-class public road until wanted for railway purposes.

4. All expenditure from Provincial funds thus incurred on the completion of the road will be refunded to the Madras Government if the road is taken up for the railway, and will be added to the capital account of the line, provided the works are executed so as to be suitable for the purposes of a railway.

ORDER THEREON, 22nd March 1879, No. 317 R.

Communicated to the Consulting Engineer for Railways, who will, in communication with the Agent of the Madras Railway and the Chamber of Commerce, report upon the expediency and probable results of opening the Hospett branch as an unfenced line for slow goods traffic during fair weather.

C. J. SMITH, Major, R. E.,
Ag. Joint Secy. to Govt., P.W.D., Railway Branch.

Consulting Engineer's Office, Madras, 17th March 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—A proposal being under consideration for utilising as a temporary line for slow goods traffic the work which has been executed by famine labour between Bellary and Hospett, the Government are desirous of being placed in possession of the views of the Chamber as to the probable amount of traffic that will be obtained if the proposal be carried out.

2. The line will be laid on the broad gauge, and be worked by the Madras Railway Company. All the culverts and some of the smaller bridges will be built, but twenty of the largest waterways will be crossed by temporary diversions.

The traffic will be liable to interruption, owing to damage to these diversions, during the monsoon, but a good fair-weather line will be made throughout.

3. The Government entertain the opinion that the proposed line will, before being extended to the west coast, form a valuable feeder to the Madras Railway, and the views of the Chamber will be of great assistance in enabling them to come to a decision on this point.

4. I beg the favour of a reply at your earliest convenience.

I have, &c.,

C. J. SMITH, Major, R.E.,
Acting Consulting Engineer for Railways.

Chamber of Commerce, Madras, 16th April 1879.

TO THE CONSULTING ENGINEER FOR RAILWAYS,
Madras,

SIR,—The Chamber are glad to learn from your letter of the 17th ultimo, that it is the intention of the Government to utilise that portion of the line of railway which was executed by famine labor between Bellary and Hospett.

The Chamber are unable to furnish you with any detailed statistics of the trade of the district through which the line runs, but there can be little doubt that the trade which does already exist would be stimulated by the opening of the railway, more especially if the Tungabhadra river were bridged, and the Madras Railway thus put in communication with the large cotton traffic in the neighbourhood of Copul.

I have, &c.,

P. MACFADYEN,
Chairman.

Proceedings of the Madras Government, Public Works Department, dated 9th September 1879.

Read the following paper:—

From A. M. SAUNDERS, Esq., Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 13th August 1879, No. 779.

With reference to your letter of the 16th of April last, No. 448, and to the Proceedings of Government forwarded therewith, I have the honor to inform you that I have been

unable to obtain any statistics of the probable traffic that would be brought on to this line by the opening of the Hospett branch.

2. There would, however, be no difficulty in working the branch at low rates of speed as an unfenced line, and if the proposal of His Excellency the Governor-General in Council is carried out, and the bridges and culverts completed, it would only require the addition of permanent way to enable it to be worked as a railway at all seasons, whereas the Company's Chief Engineer points out that when he inspected the branch in February 1878, many miles of it were ballasted with either sand or decayed granite, and it is believed that since then nearly the whole of the line has been ballasted with these materials, which, though admirably suited for a railway, do not bind so as to form a hard surface suitable for cart traffic.

3. It would therefore appear to be much more desirable to open the branch at once as an unfenced line for slow goods traffic, than as a first-class public road.

Submitted for the consideration of Government, with reference to their proceedings dated the 22nd March 1879, No. 317 R.

J. H. M. SHAW-STEWART, Colonel, R.E.,
Consulting Engineer for Railways.

ORDER THEREON, 9th September 1879, No. 747 R.

Recorded, with reference to letter No. 660 R, dated the 4th August 1879, in which the Government of India were informed that it is out of the power of this Government to provide Provincial Funds for completing the works on the line of railway between Bellary and Hospett.

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chamber of Commerce, Madras, 8th November 1879.

TO THE SECRETARY TO GOVERNMENT,
Public Works Department.

SIR,—The Chamber observe from the Proceedings of Government, dated 9th September, No. 747 R. that it is out of

the power of the Madras Government to provide Provincial funds for completing the works on the line of Railway between Bellary and Hospett.

The Chamber have desired me to say that they think it a matter for regret that a work which is calculated to increase the traffic on the Madras Railway and to mitigate the evils of any further famine in the Bellary District, should be allowed to fall into decay for the want of the necessary funds for its completion. The Dhond and Momund line, like that from Bellary to Hospett was a famine work, and has been completed and opened for traffic. The Chamber understand also that a line from Sholapore to Dharwar has been sanctioned, if not actually commenced. The Chamber would be glad to know how it is that while funds can be found in the Bombay Presidency for works of this character, they are refused for works of equal importance in this Presidency.

I have, &c.,
P. MACFADYEN,
Chairman.

P.

REGISTRATION OF SALT WAGONS.

Cons. Engineer's Office, Madras, 6th September 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to enclose copy of a report by the Traffic Manager of the Madras Railway Company on the subject of the registration of Wagons for Salt at the Salt Cotaurs, and giving information on various points connected with the present state of the salt traffic on the Madras Railway.

2. I shall be obliged if you will favour me, for submission to Government, with any remarks which the Chamber of Commerce may desire to make upon the important matters dealt with by Mr. Church.

I have, &c.,
J. H. M. SHAW-STEWART, Col., R. E.,
Consulting Engineer for Railways.

Traffic Manager's Office, Madras, 18th August 1879.

To the Agent and Manager,

Royapooram.

Dear Sir,—Your No. 3,632 of 11th instant, enclosing a letter to your address from Messrs. Parry & Co., dated 6th idem (herewith returned.)

If the unequal dispatches of salt were due to the fluctuations of trade, the arguments used by Messrs. Parry & Co. would have some force, but as there can scarcely be any doubt that they are entirely due to a very different cause, which cannot be unknown to the salt traders, it seems to me that the latter can scarcely expect the Railway Company to keep rolling stock lying idle simply and solely to enable one trader to gain an advantage over his competitors in the same business.

2. In paragraph 31 of my report dated 16th April 1879, attention was drawn to the unequal dispatches of salt, and this irregularity has been more marked of late. There can be little doubt that it is due to what may be fairly termed "a waiting race for light and heavy salt" on the part of the salt traders, and this holding back acts most injuriously on the State and on the Railway, inasmuch as stocks up country are allowed to run out, and if consumers of salt cannot obtain it when they want it they must go without, and the sale of that quantity is lost for ever. It has also the effect of enhancing the price of salt to the consumer when stocks are low, and of directly encouraging the illicit manufacture of earth salt.

3. The following figures represent the despatches of salt from Madras for the last 5 half years:—

Half-year ending.	Tons.
June 1877	25,729
December 1877	28,157
June 1878	18,006
December 1878	25,480
June 1879	20,332

The monopoly price of salt up to the 29th December 1877 was 2 Rs. per maund, but on that date it was raised to Rs. 2·11 per maund, and has continued at the same figure up to the present time. The falling off in June 1878 was ascribed to a want of supply in the Madras Salt Cotaurs, and to difficulty and cost of transporting salt from the Sydapett Salt Cotaurs;

it may also have been due, in some measure, to the increase in the monopoly price, which probably temporarily checked sales, but it will be seen that in December 1878 the figures very nearly reached those of June 1877, before the monopoly price was increased, so that we must look elsewhere for the true cause of the falling off in June 1879. The large figures for December 1877 must be considered abnormal, and may be attributed to largely increased sales in the month of December 1877 immediately preceding the imposition of the increased monopoly price.

4. Seeing that the manufacture of earth salt was declared illegal in all parts of the Presidency after the 31st December 1878, we might have reasonably looked in June 1879 for certainly as good if not a better return than June 1877, instead of a smaller one of upwards of 20 per cent. That the falling off cannot be altogether due either to the increase in the monopoly price or to the fluctuations in trade must be admitted from the following figures showing the dispatches of salt to three of the largest salt receiving stations:—

Half-year.	Vellore. Tons.	Bangalore. Tons.	Salem. Tons.
June 1878	1,872	3,245	1,990
December 1878	2,163	5,050	2,368
June 1879	1,542	2,693	1,867

There is no apparent reason, prices being the same, sea salt having been prohibited by law, why the population supplied by Vellore, Bangalore and Salem, should not have required the same quantity of salt in the period ending June 1879 as in the period ending December 1878, and the only reasonable conclusion is that the requirements of the people were not met by the salt traders.

5. Again taking the figures for June 1879, month by month, it is not reasonable to suppose that the inequality in the despatches can be attributed to fluctuations in trade. The figures for each month were:—

	Tons.		Tons.
January	2,804	April	3,115
February	2,462	May	3,672
March	3,123	June	5,156

The tonnage despatched in July was 3,600 tons, but on 6 working days of the month no salt at all was sent out, while

on one day only 21 tons and on two days 40 tons, per diem were sent. During the month of August the despatches have been, so far, smaller and more irregular, out of 12 working days no salt at all was despatched on 3 days, and the total quantity despatched has only reached 660 tons, or at the rate of 1,320 tons per mensem.

6. All this must show, I think, that there are other causes at work than the usual fluctuations of trade to account for this unequal supply of salt to up-country districts, and it will probably be found in the waiting race for light and heavy salt now observed by the salt traders.

7. The suggestion made by Messrs. Parry & Co. to set aside 25 wagons for salt daily will scarcely meet the case, because there is no guarantee that they will be used, or if not used that the Company will be paid for their standing idle. Nor do I think that the trade generally will be prepared to accept this suggestion as a settlement of the question, because one trader alone may want the whole of the 25 wagons, and there would a great difficulty in allotting them.

8. The rule recently introduced is perfectly fair and legitimate; it requires salt traders to make known their requirements a day in advance, and under the Company's published conditions of Carriage (Rule 35-16) imposes a penalty if the wagons are not loaded, but this penalty would not of course be exacted in rainy weather, when salt cannot be loaded. Requisitions for salt are not, as a rule, sent by telegraph, so that traders would have no difficulty in determining their requirements for wagons a day in advance. In support of this statement it may be necessary to mention that instances have come to my notice where up-country orders for salt have not been complied with for 8 and 10 days after receipt, simply because the heaps opened at the Salt Cotaurs contained "heavy" salt, and all traders held back from making purchases in the hope that the next heaps to be opened would contain "light" salt.

9. The effect of unequal despatches of salt on the Railway Company is, either to increase train mileage when there is a run of "light" salt, or to keep loaded wagons standing idle

waiting their turn for despatch by the ordinary train service, and this state of things has been brought about by the change introduced at the Madras Salt Cotaurs of selling salt by weight instead of by measure as formerly.

10. The opinion of the larger salt traders is that the districts along the line of Railway require from 3 to 400 tons of salt daily, and that this quantity would be regularly sent if the old system of selling by measure were reverted to.

Your's faithfully,

H. E. CHURCH,

Traffic Manager.

Chamber of Commerce, Madras, 9th October 1879.

TO THE CONSULTING ENGINEER FOR RAILWAYS,

Madras.

SIR,—The Chamber have had under consideration your letter of the 6th ultimo with its enclosure from the Traffic Manager of the Madras Railway, on the subject of the registration of wagons for salt at the Salt Cotaurs, and desire me to make the following observations on the correspondence.

Speaking generally, the Chamber regret to see any impediment thrown in the way of any traffic on the Railway; but I am to inform you that certain members of the Chamber interested in the salt trade state that the change effected by Mr. Church has caused them considerable inconvenience. The change moreover had been introduced by the Railway before your reference for the Chamber's opinion had been made to the Chamber. The Chamber would now suggest that the correspondence be published, so that those salt merchants who are not members of the Chamber may be informed of the change under reference, and have an opportunity of expressing their views to you.

I have, &c.,

P. MACFADYEN,

Chairman.

Q.

DEPARTURE OF THE MAILS FROM BOMBAY.

Simla, 21*st June* 1879.

To the Secretary Chamber of Commerce,
Madras.

Sir,—The accepted tender of the Peninsular and Oriental Steam Navigation Company for the new contract for the mail service between Bombay and Brindisi provides, it is believed, for a sea transit less by two days than the time taken under the present contract: and for a monsoon allowance on the homeward voyage of two days, instead of the present allowance of three days.

2. The British Post Office will probably have the choice of the day of the departure of the outward mail from London, and it has already intimated a desire for the same day as at present, viz:—Friday.

3. Similarly, the Indian Post Office will probably have the choice of the days of departure of the homeward mail from Bombay; and a reference has now been received from the British Post office on the subject. The British Post office suggests a departure from Bombay on Monday in the fair season, and on Saturday in the monsoon. A Saturday start from Bombay would be objectionable (as interfering with the usual half holiday), but this objection might be obviated by arranging for the steamer to start at (say) 2·30 P. M. on Saturday, the mails being closed in Bombay at 1 P. M. But another objection occurs to this arrangement, owing to the fact that it would result in a closing of the mail at Madras on Saturday evening in the monsoon season.

4. Perhaps, on the whole, the best days for the starting of the steamers from Bombay would be Saturday (at 2·30 P. M.) in the fair season and Thursday in the monsoon.

5. The two suggestions referred to above are shown below, the first being marked A and the second B.

		Mail to be closed in Calcutta evening.	Mail to be closed in Madras evening.	Steamer to leave Bombay at the hour mentioned; mail to be closed 1½ hours before the steamer starts.
A.	Fair season ...	Friday ...	Saturday ...	Monday ... 7 P. M.
	Monsoon	Wednesday...	Thursday ...	Saturday ... 2-30 P. M.
B.	Fair season ...	Wednesday...	Thursday ...	Saturday ... 2-30 P. M.
	Monsoon	Monday ...	Tuesday ...	Thursday ... 5-30 P. M.

6. I annex a table showing the effect of a departure of the mail-steamer from Bombay on other days of the week.

7. I shall be glad to receive any remarks which the Chamber have to make on the subject, only asking that the convenience of the other Presidency Towns may be borne in mind in making them.

I have, &c.,

L. G. WALSH,

For Dir. Genl. of the Post Office of India.

	Season.	Mail to be closed in Calcutta. Evening.	Mail to be closed in Madras. Evening.	Steamer to leave Bombay at the hours mentioned; mails to be closed 1½ hours before the steamer starts.	Mail reaches London.
	Fair ...	Saturday ...	Monday ...	Wednesday 7 P. M.	Monday*
	Monsoon...	Friday ...	Saturday ...	Monday 5-30 do	
	Fair ..	Monday ...	Tuesday ...	Thursday 7 do	Tuesday*
	Monsoon...	Saturday ...	Sunday ...	Tuesday 5-30 do	
	Fair ...	Tuesday ...	Wednesday .	Friday 7 do	Wednesday*
	Monsoon...	Sunday ...	Monday ...	Wednesday 5-30 do	
B	Fair ...	Wednesday..	Thursday ...	Saturday 2-30 do	Thursday*
	Monsoon...	Monday ...	Tuesday ...	Thursday 5-30 do	
	Fair ...	Thursday ...	Friday ...	Sunday 2-30 do	Friday*
	Monsoon...	Tuesday ...	Wednesday .	Friday 5-30 do	
A	Fair ...	Friday ...	Saturday ...	Monday 7 do	Saturday*
	Monsoon...	Wednesday..	Thursday ...	Saturday 2-30 do	
	Fair ...	Saturday ...	Sunday ...	Tuesday 7 do	Sunday*
	Monsoon...	Thursday ...	Friday ...	Sunday 2-30 do	

B This is the one selected as an alternative by the Director-General.

A This is the one suggested by the British Post office.

* Or perhaps the previous day if the present interval allowed for transit between Suez and Alexandria should be shortened.

Chamber of Commerce, Madras, 22nd July 1879.

To the Director-General of the Post Office of India, *Calcutta.*

Sir,—I have to acknowledge and thank you for your letter of the 21st ultimo, in which you submit for the Chamber's consideration a proposition that, under the new P. & O. contract for the conveyance of the Indian mails between Bombay and Brindisi, the mail steamers should leave Bombay at 2.30 P. M., on Saturdays in the fair season, and at 5.30 P M., on Thursdays in the monsoon time. This arrangement would necessitate the despatch of the overland mails from Madras on Thursdays and Tuesdays respectively. The Chamber desire me to inform you that the mail days proposed by you would meet the convenience of the mercantile community of Madras.

I have, &c.,

P. Macfadyen,
Chairman.

Simla, the 22nd August 1879.

To the Secretary, General Post Office, *London.*

Sir,—My telegram of the 21st instant copied on the margin* will have informed you of the result of the consideration in this country of the question of the proper date for the departure of the mail steamers from Bombay under the new contract.

* Your telegram (of) 31st July. India desires a fixed day (of) departure (from) Bombay throughout the year. Friday evening selected. Government concurs.

2. The system of different dates of departure at different seasons has always been found to be a very inconvenient one, and India has submitted to the inconvenience only under the conviction that it was a necessity.

3. The fact that the monsoon allowance in the time table to the steamer from Bombay was 3 days, whereas the corresponding allowance to the steamer from Galle (where all the other eastern mails converge) was only 2 days, made it impossible for India to claim a fixed date throughout the year without throwing back to an otherwise needless extent the whole eastern mail. But now that the monsoon allowance to the

steamer from Bombay is to be reduced to the Galle standard of 2 days, this special objection will cease to exist. A fixed day of departure from Bombay will be compatible with a fixed day from Galle and all the Australian ports.

4. And I may also mention that especial difficulty was found to exist under the variable date system in meeting the convenience of the several Indian centres of Government and commerce under the new arrangement: indeed, no arrangement could be found which did not involve very serious inconvenience.

5. There is no good reason why London should have not merely a fixed time table date of departure (which all would concede) but a fixed time table date of arrival, seeing that such a result can be accomplished only at excessive inconvenience to India. The time of the arrival of a mail is subject to more or less fluctuation, even when there is a fixed due date, and the alteration of the due date of arrival in London by 2 days during a portion of the year would not produce nearly the same inconvenience as is found to result in India from a periodical alteration of the date of departure.

6. And apart from this I believe that it is a just principle, while owning the reasonableness of regulating the outward mail from London with primary reference to the convenience of the British public, that the corresponding regulation of the homeward mail from Bombay should have primary reference to the convenience of the Indian public.

I have, &c.,

A. M. MONTEATH,

Dr. Gnl. of the Post Office of India.

TELEGRAPH.

To Madras Chamber of Commerce. — *Simla, dated 20th October* 1879. *From Director-General Post.*

Mail departure from Bombay under new contract fixed for Saturday.

Chamber of Commerce, Madras, 9th October 1879.

To the Director-General of Post Office of India,
Calcutta.

Sir,—With reference to your letter of the 22nd August No. 85, enclosing copy of letter and telegram to the Post Master General, London, stating that India requires a fixed day of departure for the Mail from Bombay, and that Friday evening had been selected by you as the date of departure, I am directed by this Chamber to inform you that Friday will well suit the requirements of Madras trade.

I have, &c.,
P. Macfadyen,
Chairman.

R.

THE SYDNEY EXHIBITION.

Proceedings of the Madras Government, Public Department, dated 25th March 1879.

Read the following paper:—

From the Hon H. Parkes, Colonial Secretary, Sydney, to the Acting Chief Secretary to Government, dated Sydney, 19th February 1879, Circular No. 79-1022.

Referring to the proposed International Exhibition to be holden in Sydney, 1879, under the supervision of the Agricultural Society of New South Wales, I have the honor to state, for the information of the Government of Madras, that the Government of this Colony have assumed sole control of the undertaking, and have appointed Commissioners both in Sydney and London to manage and carry it into effect.

2. The Exhibition will be opened in the first week in September next, and I have the honor to transmit herewith a copy of the Commissioners' Official Programme, and to request that you will be good enough to cause all due publicity to be given to the same in Madras.

3. The names of the Commissioners are mentioned in the first page of the programme, and you will observe that Mr.

P. A. Jennings has been appointed Executive Commissioner, with whom it will be most convenient for any similar Commission appointed by your Government to communicate.

ORDER THEREON, 25th March 1879, No. 435.

Ordered that copies of this letter with copies of the "Official Programme" be forwarded to the Chamber of Commerce, Dr. Bidie, and to the Editors of the newspapers marginally named.

Times.
Mail.
Athenæum & Daily News.

C. G. MASTER,
Acting Chief Secretary.

Government Central Museum, Madras, 5th April 1879.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to Government Order, No. 435 of 25th March 1879, announcing an International Exhibition at Sydney, I have the honour to request that you will be so good as to obtain the opinion of the Chamber of Commerce as to the propriety of sending to the Exhibition a small select collection of commercial products, with the object of promoting trade between Southern India and Australia. So far as I can ascertain the exports from the Madras Presidency to Australia are few and unimportant, and it has therefore occurred to me that by exhibiting such articles as Tea, Coffee, Cheroots, Indigo, Spices, Fibres, Select Oils, Mats for Floors, Cinchona Bark, &c., the trade between the two countries might be stimulated. I shall be glad, however, to get the advice of those practically acquainted with and directly interested in the matter. Should the views of the Chamber be favourable towards the forwarding of such a collection, I will at once ask Government to give me the necessary sanction for its preparation, and support my application by the Chamber's reply.

I have, &c.,

G. BIDIE, M. B.,
Supt. Govt., Cntl. Museum.

Chamber of Commerce, Madras, 16th April 1879.

To Dr. Bidie,
Govt. Central Museum.

Sir,—I have had much pleasure in laying your letter of the 5th instant before the Chamber.

The Chamber, I am desired to say, quite approve of your suggestion for collecting specimens of the commercial products of this Presidency for forwarding to the Sydney Exhibition.

Though the trade between India and Australia is at present on a very limited scale, the Chamber see no reason why it should not be capable of considerable development. Indian tea, coffee and tobacco ought to find a market in Australia, provided her tariffs are modified as well as in England. Indian jute is now imported at Melbourne for the manufacture of corn-sacks and wool packs, and Indian rice is exported in small quantities to Australian ports. Timber, chiefly for railway sleepers, horses, flour, preserved provisions and fruits, at present constitute the chief exports from Australia to India. With the development of manufacturing industries, however, in Australia, more especially in the direction of woollen and cotton goods, it is probable that the trade between the two countries will increase.

I have, &c.,
P. Macfadyen,
Chairman.

Govt. Cntl. Museum, Madras, 23rd July 1879.

To the Chairman Chamber of Commerce,
Madras.

Sir,—In compliance with the request contained in your letter of the 15th April last, I have the pleasure to forward, for the information of the Chamber, a copy of the Catalogue of commercial products sent from here to the Sydney Exhibition per P. & O. *Mirzapore.*

I have, &c.,
G. Bidie, M. B., Surgeon-Major,
Supt., Govt. Cntl. Museum.

S.

IMPRESSED STAMPS.

Proceedings of the Madras Government, Financial Department, dated 15th August 1879.

Read the following paper:—

From R. B. CHAPMAN, Esq., Secretary to the Government of India Department of Finance and Commerce, to the Acting Chief Secretary to Government, dated Simla, 29th July 1879.

It is desirable in the interests of the Stamp Revenue to promote the use of counterfoil stamped forms for such documents as—Promissory Notes payable on demand, 'Brokers' Notes, Delivery Orders, Shipping Orders, Proxies, Receipts, Cheques and other documents on which stamp is one anna.

2. I am accordingly directed to invite the Government of Madras to consider how this experiment can most conveniently be made.

3. It seems to the Government of India that the Government should undertake either to stamp any forms printed for the purpose by any respectable firm, or to supply counterfoil stamped skeleton forms of any device that may be desired, and that, if a considerable supply (say not less than 500) be taken, no charge should be made for printing and stamping.

4. Some kind of impressed stamps should be used, not labels of any kind. But if the supply be confined to firms of respectability, the risk of any fraud would probably be imperceptible.

5. I am to request that the Government of Madras will report the measures which it proposes to take, to give effect to the suggestions contained in this letter.

ORDER THEREON, 15th August 1879, No. 1,557.

The Chamber of Commerce will be requested to favor Government with their opinion on the experiment proposed in this letter.

C. G. MASTER,
Acting Chief Secretary.

Chamber of Commerce, Madras, 9th October 1879.

To the Chief Secretary to Government,
Fort Saint George.

Sir,—With reference to the Proceedings of Government, Financial Department, dated 15th August, No. 1,557, in which it is intimated that the Government desire to use impressed stamps on documents like Promissory Notes, Brokers' Notes, Delivery Orders, Shipping Orders, Proxies, Receipts, Cheques, &c., I am desired by the Chamber to say that they see no objection to the proposed experiment being made.

I have, &c.,
P. Macfadyen,
Chairman.

Order thereon, 16th October 1879, No. 1,979.

It does not seem that this reply covers the reference made by the Government of India in their letter No. 1,933, dated the 29th July 1879. What they propose is the use of *counterfoil* impressed stamped forms for the documents specified, and that Government should either stamp (impress) private forms or supply forms of approved pattern in books. Stress is laid on use of impressed rather than adhesive stamps, but the counterfoil appears to be the main feature of the safeguard contemplated.

2. The Chamber of Commerce will therefore be requested to state whether they object to the counterfoil proposed, and what system of supply they would recommend if not objected to.

C. G. Master,
Acting Chief Secretary.

Chamber of Commerce, Madras, 8th November 1879.

To the Acting Chief Secretary to Government,
Fort Saint George.

Sir,—In reply to the proceedings of Government dated the 16th ultimo, No. 1,979, I am desired by the Chamber to state that they see no objection to the experiment proposed by the Government of India for the use of counterfoil impressed stamped forms, though the Chamber have not much faith in its improving the Stamp revenue, the object which the Government appear to

have in view. In reply to your question as to what system of supply the Chamber would recommend, I am to state that it should be left optional to persons applying for stamps whether they use their own private forms or forms supplied by the Government.

I have, &c.,

P. MACFADYEN,
Chairman.

ORDER THEREON, 1st December 1879, No. 2,246.

Resolved that copies of the letters from the Chamber of Commerce be forwarded to the Government of India.

C. G. MASTER,
Acting Chief Secretary.

T.

THE HOURS FOR LANDING GOODS.

Chamber of Commerce, Madras, 15th October 1878.

TO THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—By desire of the Chamber I have the honor to bring to your notice the great inconvenience caused by a recent order from your office that all discharge of boats at the Pier is to cease at 6 P. M. If it is found in practice that abuses exist in the system which has hitherto been in force, the Chamber would suggest that the Master Attendant should be instructed to hoist a recall-signal at 5 or 5-30 P. M., that shipmasters be required to order off all boats from alongside their ships immediately the signal is hoisted, and that all boats so ordered off shall have the right of discharge at the Pier that evening. It would probably be necessary to ensure attention to the recall-signal by some small fine on boats which disregard it.

The Chamber believe that an arrangement to this effect might be worked to the advantage of all parties.

I have, &c.,

A. MACKENZIE,
Chairman.

Sea Customs Collector's Office, Madras, 17th October 1878.

To the Chairman Chamber of Commerce,
Madras.

Sir,—In answer to your letter, dated 15th October 1878, I would point out that the rule prohibiting the discharge of cargo on the pier after 6 P. M., is no new one. It was made by Government in May 1876, and has been strictly enforced ever since. It was only relaxed during the height of the famine in the case of ships laden with grain.

2. With regard to your proposal that the Marine authorities should recall boats by signal at a given hour, and that boats so recalled should be allowed to discharge cargo on the pier after 6 P. M., I consider that, provided the hour for recall be fixed not later than 5 P. M., the system might be tried. Those interested in the cargo so landed would, of course, have to agree to pay fees to the Customs Authorities for work done out of office hours. I have written in this sense to the Board of Revenue.

I have, &c.,

R. J. Melville,
Collector of Sea Customs.

Chamber of Commerce, Madras, 18th November 1878.

To the Collector of Sea Customs,
Madras.

Sir,—With reference to your letter of the 17th ultimo, stating that the Chamber's proposal that a recall-flag should be hoisted at the Master Attendant's office at 5 P. M. has been recommended by you for adoption, I have now the honor to state, that in an order of the Board of Revenue No. 2,703 of 4th October 1878, which has lately reached this Chamber, it is suggested that "it would seem more reasonable to fix an hour before which boats must be alongside the pier, a penalty being exacted only in cases in which they arrive after that time."

The members of this Chamber are quite willing to adopt the Board's suggestion, and would suggest that all boats

arriving at the Pier by 5 P. M., should have the right of discharging their cargo the same evening without extra charge.

I have, &c.

A. MACKENZIE,
Chairman.

Sea Customs Collector's Office, Madras, 19th December 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter dated 18th November 1878, I have the honor to inform you that in para. 3 of their Proceedings dated 4th December 1878, No. 3,239, the Board of Revenue propose the following rule for landing goods:—

"Goods arriving by any coasting steam vessel may be landed at any hour between 6 A. M. and 5 P. M., but not afterwards, unless the cargo boats are alongside the Pier by 5 o'clock P. M., in which case they shall be entitled to discharge at the Pier, but not on the beach the same evening; passengers with their personal baggage will be admitted up to 9 P. M. The Collector of Sea Customs may, at his discretion, extend the time for the landing of passengers and goods on good cause for granting the extension being shown. The regulated fees must be paid to the subordinates of the Customs and Marine Departments in accordance with the prescribed rules, in consideration of the extra labour entailed, whenever they are called upon to work overtime or on Sundays and holidays under orders of the officer in charge of the Custom House."

I request that you will be good enough to inform me whether the Chamber see any objection to the proposed rule.

I object to passengers with their personal baggage being admitted up to 9 P. M., as proposed in the rule. There is but one baggage Superintendent at the Custom House, and Government pay him the extra fees for work after and before office hours. It would be highly inconvenient, nor do I consider it necessary, to allow passenger's baggage to be landed up to 9 P. M.

I have, &c.,

R. J. MELVILLE,
Collector of Sea Customs.

Chamber of Commerce, Madras, 23rd January 1879.

To THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—With reference to your letter of the 19th ultimo, enclosing a copy of the rules proposed by the Board of Revenue for the landing of goods, I am desired by the Chamber to submit to you the following observations. The first rule runs as follows:—

"Goods arriving by any coasting steam vessel may be landed at any hour between 6 A. M. and 5 P. M., but not afterwards, unless the cargo boats are alongside the Pier by 5 o'clock P. M., in which case they shall be entitled to discharge at the Pier, but not on the beach the same evening."

The above rule is limited to goods from coasting steamers, but the Chamber submit that it should be applied to goods from all vessels discharging in the roads. Referring to the suggestion contained in the Chamber's letter of the 18th November, I beg to point out that what the Chamber intended was that all boats which can reach the pier by 5 P. M., shall have the right to discharge the same evening without extra charge. The exception made in the above rule to landing on the beach would seem to require some explanation. Masula boats which cannot get to the Pier by 5 P. M., or which having got there in time find there is no prospect of getting discharged before dark, must, it appears to the Chamber, be allowed to come to the beach, while there is still light enough to admit of safe passage of the surf, and the discharge of their cargoes would be effected as it now is. Under similar circumstances I may explain, as the procedure may not be familiar to the Board of Revenue, that, at present, the custom is that a boat arriving late at the beach has its cargo tallied off by the tide-waiter, and the authorised Customs Cooly Maistry takes the articles landed to the outer verandah of the Custom House, and is responsible for their safe custody until they are taken into the Custom House on the following morning. The Chamber trust that there is no intention to change a practice with regard to beach landing after Custom House hours which has many conveniences to recommend it.

With regard to the clearance of passengers' baggage, the Chamber would suggest that a baggage office might be estab-

lished apart from the Custom House building, where luggage could be cleared up to 7 P. M., the proposal of the Board to allow clearances up to 9 P. M. being, it is believed, unnecessarily late.

I have, &c.,

A. MACKENZIE,
Chairman.

Proceedings of the Madras Government, Revenue Department, dated 4th July 1879.

Read the following paper:—

Proceedings of the Board of Revenue, dated 21st February 1879, No. 480.

Read the following letter from R. J. MELVILLE, Esq., Collector of Sea Customs, Madras, to J. STURROCK, Esq., Acting Secretary to the Board of Revenue, dated 29th January 1879, No. 200.

I have the honor to submit the following report with reference to paragraph 3 of Board's Proceedings, dated 4th December 1878, No. 3,239.

2. Copies of the correspondence with the Master Attendant and the Chamber of Commerce on the rule proposed by the Board for the landing of goods, &c., are herewith submitted.

3. Both the Master Attendant and the Chamber of Commerce object to the rule being limited to coasting steamers, and suggest that the same rule should apply to all vessels discharging goods in the roads. I concur with this suggestion.

4. As regards the landing of goods generally, the Master Attendant states that to compel large boats to arrive at the pier before 5 P. M., as proposed in the rule, would be a greater restriction than even now exists, and suggests that boats that arrive at the pier by 6 P. M., or can show that they reasonably expected to arrive by 6 P. M., should be discharged, overtime charge for Custom House officials detained after 5 P. M., being levied as prescribed in G. O., dated 28th August 1877, No. 493.

5. The Master Attendant argues that dutiable goods have always been introduced into the Custom House after 6 P. M.,

and that there need not be any difficulty on this point. He also states that work has always been permitted to a late hour on the pier.

6. No goods have ever been introduced into the Custom House after 6 P. M. The gates are shut at 6 o'clock, and goods subsequently received are left in the outer-verandah of the Custom House at the risk of the importers and the cooly maistry. It would be very dangerous to leave the gates open to a late hour for the reception of goods.

7. As regards work having been permitted to a late hour on the pier, the Master Attendant, if he has permitted it, has acted in contravention of the orders of Government contained in G. O., dated 27th March 1876, No. 425, G. O., dated 20th May 1876, No. 649. No permission from this office has been applied for or obtained.

8. As regards the hour by which the boats must be alongside the pier, the Chamber of Commerce accept the hour named in the rule, viz., 5 P. M., and I concur with them.

9. The Chamber, however, state that boats which reach the pier by 5 P. M. should have the right to discharge the same evening *without extra charge*. I think that fees for over-time work should be paid. If there are many boats alongside the pier at 5 P. M., their discharge may not be completed before a late hour, and it would be hard to deprive Customs and Marine officials of their over-time fees.

10. The proposed rule prohibits the landing of goods on the beach after 5 P. M. The Chamber object to this. They state that the present practice of landing on the beach from 6. A. M. to 6 P. M., or sunrise to sunset, should be allowed to continue. Goods landed in time will go into the Custom House before the gates are shut at 6 P. M., and other goods will remain in the outer-verandah at the risk of the importers and the cooly maistry as at present. I see no objection to this proposal.

11. As regards passengers and passenger's baggage, the Master Attendant strongly deprecates any restriction and suggests that baggage landed late may be detained until next morning. The Chamber of Commerce state that it is unnecessary to allow the clearance of baggage up to 9 P. M., as propos-

ed in the rule, and suggest a baggage office being established separate from the Custom House, where baggage could be cleared up to 7 P. M.

12. I am of opinion that passengers may be permitted to land at any hour, provided that no ship shall compel them to land after 6 P. M. (*vide* G. O., dated 20th May 1876, No. 649), and provided that no baggage shall be landed on the pier or on the beach after 6 P. M. There is but one Baggage Superintendent at the Custom House, and Government pay him the extra fees for work after and before office hours. It would be highly inconvenient, nor do I consider it necessary, to allow baggage to be landed up to a late hour. Baggage generally consists more or less of sundry valuable packages, and the permission to land late may open the door for thefts.

13. A draft rule embodying the above suggestions is appended :—

"Goods arriving by any vessel may be landed on the beach at any hour between 6 A. M. and 6 P. M., or sunrise and sunset, and on the Pier at any hour between 6 A. M. and 5 P. M., but not afterwards, unless the cargo boats are alongside the Pier by 5 o'clock P. M., in which case they shall be entitled to discharge at the Pier the same evening. Passengers may land at any hour, provided that no passenger shall be compelled to land after 6 P. M., and provided that no baggage shall be landed except between 6 A. M. and 6 P. M. The Collector of Sea Customs may, at his discretion, extend the time for the landing of goods and passenger's baggage on good cause for granting the extension being shown. The regulated fees must be paid to the subordinates of the Customs and Marine Departments, in accordance with the prescribed rules in consideration of the extra labour entailed, whenever they are called upon to work overtime or on Sundays and holidays under the orders of the officer in charge of the Custom House."

14. The same rule may be adopted in the rules for the grant of general passes to coasting steamers (*vide* paragraph 7 of my letter to the Board, dated 7th January 1879, No. 53.)

The Collector's letter with copy of Board's Proceedings, dated 4th December 1878, No. 3,239, will be forwarded to Government with the recommendation that the draft rule given in paragraph 13 of Mr. Melville's letter may be adopted for the regulation of the landing of goods and baggage at the port.

2. The subject originally came under discussion in connection with Clause 12 of the Rules regarding coasting steam-

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ers, but on the suggestion of the Chamber of Commerce the Collector of Sea Customs recommends that the same rule be applied to all vessels discharging goods in the roads, and in this view the Board concur.

J. STURROCK,
Acting Secretary.

ORDER THEREON, 4th July 1879, No. 1,413.

The Government consider the draft rule in paragraph 13 of the letter from the Collector of Sea Customs unnecessarily restrictive. They are of opinion that, subject to the right of the Master Attendant to regulate the boat traffic on considerations of weather, goods may be landed either on the beach or at the pier at any time between 6 A. M. and 6 P. M., provided that goods so landed after the Custom House closes remain at the risk of those concerned. Over-time charges will continue to be levied as at present.

2. With regard to passengers they may be allowed to land at the pier up to 9 P. M. with a portmanteau and hand-bag, a Custom House officer being appointed to pass such baggage between the hours of 5 and 9 P. M.

3. Goods imported by contract mail vessels may be discharged at the pier up to 9 P. M. on Sundays and holidays as well as on ordinary week days.

4. The rule will be modified accordingly.

J. H. GARSTIN,
Ag. Secy. to Government.

Proceedings of the Board of Revenue, dated 28th July 1879.

Read the following Proceedings of the Madras Government, dated 4th July 1879, No. 1,413, Revenue Department.

ABSTRACT.—*Rule for regulating landing of Goods and Baggage at the Port of Madras.*—Passing orders on Board's Proceedings recommending that the draft—given in paragraph 13 of the letter from the Collector of Sea Customs may be adopted; and modifying the rule accordingly.

Communicated to the Collector of Sea Customs, Madras, the Master Attendant, and Chamber of Commerce.

2. The rule as modified in accordance with the instructions of Government will stand as follows:—

"Subject to the right of the Master Attendant to regulate the boat traffic on considerations of weather, goods arriving by any vessel may be landed on the beach or at the pier at any hour between 6 A. M. and 6 P. M., or sunset and sunrise, but not afterwards, unless the cargo boats are alongside the pier by 6 o'clock P. M., in which case they shall be entitled to discharge at the pier the same evening. Goods imported by contract mail vessels, however, may be discharged at the pier up to 9 P. M. on Sundays and holidays as well as on ordinary week days. Passengers may land at any hour, provided that no passenger shall be compelled to land after 6 P. M. Passengers' baggage may be landed on the beach or at the pier only between the hours of 6 A. M. and 6 P. M., provided that passengers will be allowed to land at the pier up to 9 P. M., with a portmanteau and hand-bag merely, a Custom House Officer being appointed to pass such baggage between the hours of 5 P. M. and 9 P. M. The Collector of Sea Customs may at his discretion extend the time for the landing of goods and passengers' baggage on good cause for granting the extension being shown. The regulated fees must be paid to the subordinates of the Customs and Marine Departments in accordance with the prescribed rules, in consideration of the extra labor entailed, whenever they are called upon to work overtime or on Sundays and holidays under the orders of the officer in charge of the Custom House."

C. A. GALTON,
Acting Secretary.

U.

THE HOURS FOR SHIPPING GOODS.

Sea Customs Collector's Office, Madras, 6th December 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honor to forward herewith copy of Board's Proceedings, dated 4th December 1879, Mis. No. 11,437, communicating Official Memorandum from Government dated 1st December 1879, No. 449, and of Board's Proceedings dated 20th October 1879, No. 2,968, therein referred to, and to request that you will be good enough to ascertain and communicate to me the views of the Chamber of Commerce as to the

rule restricting the hours for the shipping of goods proposed in para. 3 of my letter to the Board dated 10th October 1879, No. 1,930, recorded in Board's Proceedings dated 20th October 1879, No. 2,968, above referred to.

I have, &c.,
R. J. MELVILLE,
Collector Sea Customs.

Revenue Department, 1st December 1879.

OFFICIAL MEMORANDUM, No. 449.

With reference to the Proceedings of the Board of Revenue dated 20th October 1879, No. 2,968, submitting proposals for the modification of foot-notes to Rules 5 and 12 in regard to the landing and shipping of goods, the undersigned is directed to point out that discussion hitherto has been mainly confined to hours of landing, and to request that the views of the Chamber of Commerce as to the proposed restriction of the hours of shipping may be ascertained and communicated to Government.

J. H. GARSTIN,
Ag. Secretary to Government.

No. 11,437.

Communicated to the Collector of Sea Customs, who will ascertain the views of the Chamber of Commerce as directed.

(By order)
C. A. GALTON,
Acting Secretary.

Revenue Board's Office, 4th December 1879.

Proceedings of the Board of Revenue, dated 20th October 1879.

Read the following letter from R. J. Melville, Esq., Collector of Sea Customs, Madras, to C. A. Galton, Esq., Acting Secretary to the Board of Revenue, dated 10th October 1879, No. 1,930 :—

With reference to G. O., dated 12th July 1879, No. 1,465, communicated with Board's Proceedings, dated 23rd September 1879, Miscellaneous No. 8,842, I have the honor to point out

that the foot-notes to Rules 5 and 12, which Government were requested in Board's Proceedings, dated 19th June 1879, No. 1,752, to modify with reference to the decision arrived at regarding the hours for landing cargo at the port of Madras, have not been amended as requested.

2. The new rule for the landing of cargo, &c., adopted in accordance with the instructions of Government is contained in Board's Proceedings, dated 28th July 1879, No. 2,136-A, and this may be substituted for the foot-note to Rule 5 above referred to.

3. The foot-note to Rule 12 may be modified as follows:—

"At the port of Madras, goods, &c., can be shipped only from 6 A. M., to 6 P. M., but the Collector of Sea Customs may at his discretion extend the time for the shipping of goods, &c., from the Pier on good cause for granting the extension being shown. The regulated fees must be paid to the subordinates of the Customs and Marine Departments, in accordance with the prescribed rules, in consideration of the extra labor entailed."

Submitted for the approval of Government.

C. A. GALTON,
Acting Secretary.

Chamber of Commerce, Madras, 24th December 1879.

TO THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—In reply to your letter of the 6th instant, inviting the Chamber's opinion on the rule restricting the hours for the shipping of goods at this Port, I am desired by the Chamber to state that they think that if boats are allowed to leave the Pier and shore up to 5 P. M., this arrangement would meet all the requirements of trade under ordinary circumstances. But they consider that the Custom House officials and the Master Attendant should have discretion to depart from this fixed rule on good cause being shown.

I have, &c.,

P. MACFADYEN,
Chairman.

V.

REVISION OF THE INTERNATIONAL TELEGRAPH RULES.

Chamber of Commerce, Calcutta, 9th April 1879.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—I am directed to hand you printed copy of this Chamber's letter of 26th of last month addressed to the Government of India relative to the reported purpose of the Telegraph Companies to endeavour to amend the system under which messages are at present transmitted between this country and Europe, and my Committee hope that their representation, supported as it is, in the main, by the other Chambers in the East, will be attended with desired results.

I remain, &c.,
H. W. I. WOOD,
Secretary.

Chamber of Commerce, Calcutta, 26th March 1879.

MAJOR-GENERAL A. FRASER, C. B.,
Secretary to the Government of India,
Public Works Department.

SIR,—It having been announced that the International Telegraph Convention will be held in June next for the purpose of re-considering rules and regulations, the Committee of the Chamber of Commerce beg respectfully to remind you of the following promise contained in the Government of India letter to the Chamber, dated 11th March 1876,—"In case of any changes or new arrangements affecting the mercantile community, the Government of India will take care that the earliest official intimation possible shall be given of what is in contemplation or determined."

Great inconvenience was caused to the mercantile community by the changes that were brought into sudden operation after the Convention of 1875, and the Committee would earnestly

impress on you the importance of supplying, as soon and as fully as it can be done, information as to the instructions it is proposed by the Government of India to give to their representatives at the coming Convention, so that timely opportunity may be afforded to the Chamber for considering the instructions, and for offering such observations as they may, in the circumstances, deem to be necessary.

It has been brought to the notice of the Chamber that it is intended by the Telegraph Companies to recommend the issue of an authorised code of 50,000 words, to the exclusion of groups of figures, and to prohibit the use of any other code. It has further been reported that there is a proposal to reduce the present maximum number of letters allowed to a word from 10 to 9, or 8.

These rumours may be groundless, but the subject seems of so much importance that the Chamber think it advisable to place their views before you for the purpose of showing how harassing and detrimental such changes would prove to the mercantile community. Merchants have prepared their ciphers on the understanding that groups of five figures would be accepted as one word, and they have appropriated words of ten letters, or less, to each group of figures.

Were an authorised code of 50,000 words only to be permitted, or were the present limit of 10 letters in a word reduced, almost all existing private ciphers would be rendered useless, and severe loss and inconvenience would be caused to the commercial public.

The Committee have no objection to an authorised code, provided that it consists of 100,000 words, that its adoption be optional, and that all existing ciphers be allowed to continue in use. They are also of opinion that such a code would gradually take the place of private codes, and in process of time be generally accepted by the mercantile public: but they would strongly protest against any action that would abruptly upset private ciphers, and they sincerely trust that the Government will take steps to guard their interests in this matter.

The Committee would bring to your notice that the Telegraph Companies have recently increased their charges, owing, it is understood, to the diminution of messages. It appears more

than probable that the reduction in the number of messages can be traced to the difficulties created by the late Director-General of Telegraphs in India in forcing a thorough revision of their codes upon merchants, which led to the preparation of systems, on prescribed rules, combining the maximum of information with a minimum word expenditure. They would submit that were codes again upset by sweeping alterations in rules, senders of messages would be once more compelled to arrange their ciphers, with the result, ultimately, of still further reducing the flow and volume of messages; and, as a consequence, the Companies' receipts would be still further diminished.

Under the circumstances, the Committee hope the Government of India will use its influence to prevent any change in current regulations that will even temporarily interrupt business, and that both in the interests of the public and of the Companies, it will instruct its representatives at the next Conference to withstand any alteration that will limit, or tend to limit, the facilities now enjoyed by the mercantile community.

In conclusion, I am directed to submit for your information copy of this Chamber's circular to all Chambers in the East, together with copies of their replies, from which it will be observed that an almost unanimous expression of views confirms this Chamber's apprehension of the mischievous results which would attend the changes referred to.

I have, &c.,

H. W. I. Wood,

Secretary.

From Bengal Chamber to all Chambers in the East.

The Committee of this Chamber have had their attention drawn to a movement contemplated by the Eastern Telegraph Company, the adoption of which would result in all present commercial codes being rendered useless, and merchants will have to suffer the inconvenience, annoyance, and expense, of preparing new ones.

The proposal is to issue an authorised code of 50,000 words selected from the English, French, German, Latin, Italian, and Hindustani languages—which it is declared by the Chairman of the Eastern Company would be sufficient for the requirements of

commerce—and to apply a single rate for each word in this code, but a double charge would be made for any words other than those contained in it.

The carrying out of such a scheme would cause a total disorganization of the present system of working with figures and retranslating into words, with has been generally adopted by merchants; and in the opinion of the Chamber an endeavour should be made to resist this attempt of the Telegraph Companies by an unanimous action on the part of all mercantile communities interested in maintaining the arrangements now in operation.

The adoption of an authorized code of 50,000 words is advocated by the Chairman of the Eastern Company on the ground that "the occupation of the lines for the repetition of words wrongly transmitted is not only a loss to the Companies but inconvenient to the public, other telegrams being delayed while mistakes are remedied." But it can be shown beyond doubt that the transmission of messages in figures only, including entire repetition, would occupy less time than word messages require. Indeed, it was the suggestion of the late Director General of Telegraphs in India that merchants here should put their codes into figures, as best suiting the Telegraph Companies; and, as most of them did so, they have now to translate their messages into figures and retranslate them into words.

The Committee have no objection to an authorised code, but they consider that a code containing only 50,000 words is not sufficient for the requirements of commerce; that at least 100,000 words are necessary; and that the use of such authorised code should be optional with merchants. They have no doubt in time its use would become general as new codes were prepared, but in the meantime they suggest that a united representation be made to the Companies and to the Government Director General, advocating that merchants be allowed to continue using their present codes, and that 5 figures should be taken as one word without repetition charge, as also Whitelaw's word combinations, and any others based on the same principle.

The Committee would be glad to be informed if your Chamber is willing to join in a general protest against the pro-

posed alteration, and in a request that all words or word combinations not exceeding 10 letters, similar to those referred to, be admitted, and 5 figures be received as one word without extra charge. Should such a protest fail to bring the Telegraph authorities to reason, the publicity that will thereby be given to the unpopularity of the present lines will probably lead to competition, as a new deep sea cable could now be laid down at greatly less than the last one cost. Such a result would equally meet the mercantile wants, and such a line working correctly would certainly command the support of the Calcutta merchants.

From Bombay Chamber.

The Committee of this Chamber have had under consideration your letter of the 6th instant, regarding the proposal of the Eastern Telegraph Company to issue an authorised code of 50,000 words.

In reply, I am directed to observe that this Chamber has no information in regard to this contemplated movement beyond what you have communicated to it, and what has appeared in the public newspapers; but the Committee concur with you in considering that a code containing only 50,000 words is not sufficient for the requirements of commerce, that at least 100,000 words are necessary, and that the use of the proposed authorised code should be optional with merchants. So far, therefore, as the Committee can see at present, they will be happy to join in a general protest against the proposed alteration, and in a request that all words or word combinations similar to those referred to in your letter be admitted, and 5 figures be received as one word without extra charge.

From Kurrachee Chamber.

I am desired by the Managing Committee to state, in reference to your favor of 6th instant, that this Chamber is prepared to join in a general protest against the contemplated movement of the Eastern Telegraph Company, to which attention is therein drawn.

From Rangoon Chamber.

I am desired to acknowledge receipt of your letter of 6th September, with reference to the Eastern Telegraph Company's proposal to issue an authorized Code of words for use in telegraphing between India and Europe, and to allow the transmission of words in this Code only, at a single rate, while a double charge will be made for all others.

This Chamber fully recognizes the inconvenience that would be caused by the introduction of this compulsory Code, and I am desired by the Committee to state that the Chamber will be glad to join in the general protest against the movement which the Bengal Chamber of Commerce proposes drawing up.

From Ceylon Chamber.

In reply to your letter of the 6th instant, I beg to inform you that the Committee of the Ceylon Chamber of Commerce fully enter into the views of your Chamber regarding the inexpediency of the proposed change in the method of telegraphing and in the restriction of the number of words to be employed.

They feel sure that the Ceylon Chamber would join in a protest against the proposed alteration if initiated by the Bengal Chamber.

From Hongkong General Chamber.

I am desired by the Committee of this Chamber to acknowledge the receipt of your letter of the 6th September, and to inform you that its contents were considered at their last meeting, when it was agreed that such a change as that contemplated by the Eastern Telegraph Company is not desirable; that a code containing only 50,000 words is not sufficient for the requirements of commerce.

I am therefore to inform you that this Chamber is willing to join in a general protest against the proposed alteration, and in a request that all words or word combinations not exceeding 10 letters, similar to those referred to, be admitted, and 5 figures be received as one word without extra charge.

From Shanghai General Chamber.

I have to acknowledge the receipt of your favor of 6th September, relating to the proposed movement contemplated by the Eastern Telegraph Company, who propose to issue an authorized code of 50,000 words, and to charge double rates for every word not contained in it.

I am requested by the Committee to inform you that they quite concur with you in your objections to the proposed alterations, and that they will be happy to join with the Bengal Chamber in a protest against the same, and a recommendation that the public be permitted to continue using all words and word combinations not exceeding 10 letters, and groups of 5 figures to be taken as one word.

Meantime, however, in order to assist in bringing the matter forcibly before the Telegraph Companies, they propose to address the Great Northern and Eastern Extension Companies on the subject, and trust that the combined action of the representatives of the mercantile community in the East may have the effect of inducing the Telegraph Companies to abandon their proposal, which, in the opinion of the Committee, would entail increased trouble and expense upon the general body of merchants and be of no practical assistance to the Companies themselves.

From Singapore Chamber.

Your letter of 6th September, regarding the proposed changes in the regulations of the Telegraph Companies, has been laid before the Singapore Chamber of Commerce.

If by the proposed alterations it is meant to charge a double rate for every word which may not be found in an official code, even though used in an ordinary sense, and forming no part of a cypher, as for instance, names of persons, places, or ships, and also to charge a double rate for all figures in whatever connection they may occur, the Chamber would gladly join the Bengal Chamber in a protest against such a step on the part of the Telegraph Companies.

At the same time, as there can be no doubt that much delay in the transmission of messages is caused by the use as code-

symbols of unusual and unmeaning words in many languages, which perplex the operators and are peculiarly liable to error, the Chamber is disposed to support any arrangement by which such words could be kept out of commercial codes. If this can best be effected by the issue of an official list of code-words, the Chamber sees no objection to its adoption, provided the use of ordinary words, in their natural sense and connection, and of names which are not code-symbols, and of figures as at present, be not interfered with.

The larger the official code the better, but the Chamber believes 50,000 words would be found sufficient, especially if the use of figures is retained.

From Madras Chamber to the Director General of Telegraphs, India.

The Chamber have had their attention directed to a scheme that has emanated from the Directors of the Eastern Telegraph Company, by which it is proposed to issue an authorised code of 50,000 words, selected from the English, French, German, Latin, Italian and Hindustani languages, and to apply a single rate for each word in this code, but a double charge for any words other than those contained in the code.

The Chamber are of opinion that there is no necessity for the proposed change, which would not only occasion great inconvenience in its introduction, but cause, as the Bengal Chamber of Commerce have truly remarked, "a total disorganization of the present system of working with figures and retranslating into words, which has been generally adopted by merchants." The present system, which was adopted at the suggestion of the late Director General of Telegraphs in India, has worked well, and the Chamber venture to hope that it may be allowed to continue in force. They would take this opportunity of suggesting that five figures should be taken as one word, without repetition charge.

Chamber of Commerce, Calcutta, 27th May 1879.

To the Secretary Chamber of Commerce,
Madras.

Dear Sir,—In continuation of my letter of 7th of last month, I beg to hand you the enclosed printed copies of reply

from the Government of India to this Chamber's letter of 26th March, relative to telegraph service and of the Committee's rejoinder on the subject.

Yours faithfully,
H. W. I. WOOD,
Secretary.

From Government of India to Chamber, Simla, 15th May 1879.

In acknowledging receipt of your letter, dated the 26th March, to the address of the Secretary to the Government of India in this Department, I am directed to inform you that the Government of India has no official knowledge of the proposal by the Eastern Telegraph Company, referred to by you, for the introduction of an authorized code of 50,000 words for telegraphic communication.

2. I am further directed to say that the Government of India agrees in the view expressed in your letter under reply, that a limit of 50,000 words would be insufficient for such a code.

3. If, as is possible, a proposal for the introduction of an authorized code should be brought forward by other Governments, it would only be supported by the delegates from this Government on condition that the limit, if any, of the number of words should be a fair one, and that ample notice should be given to the public before its introduction be made compulsory.

4. The Government of India does not contemplate bringing forward at the Conference any proposals for limiting the use of code *words*; but if, as is not improbable, proposals should be made from other sources for placing restrictions on the use of private codes in the shape of reducing the number of letters per word, or of confining messages to a single language, this Government is not prepared to oppose any measure of the kind that may find favour with other Governments represented at the Conference; provided that the changes, if any, shall not be introduced until at least one year's notice shall have been given to the public.

5. I am also directed to forward for the information of the Chamber a copy of the instructions which the Government of India is sending to its delegates. A copy of this corres-

pondence will also be sent in continuation; and I am to add that measures will be taken to ensure the speedy communication to the Chamber of the Resolutions agreed to by the Conference.

Memorandum of instructions for Major H. Mallock appointed by the Government of India to represent the Indian Telegraph Department at the International Conference to be held in London in June next.

Major Mallock should obtain, through the Director of the Indo-European Telegraph Department, a copy of the official "*Propositions pour la Conference Telegraphique International de Londres*," published by the Berne Bureau early in 1875, as well as a copy of the supplementary proposals at present under preparation by the Bureau.

2. The original proposals of the Indian Administration are as follows:—

I.—To make the paid repetition (at present compulsory for cypher messages under Regulation XLVIII) optional in all cases.

II.—To reduce the charge for repetition (which at present, under paragraph 3, Regulation XLVIII, is equal to half the cost of the telegram) to one-fourth the cost of the telegram in the case of extra European messages.

III.—To adopt the divisor three for groups of figures in extra European messages (instead of five as at present fixed by Regulation XXI, para 7).

IV.—To revise the examples given in Regulation XXII to accord with the changes above detailed.

V.—To insist on strict observance of the conditions of Regulation LXIV in respect of calls for repetition, and to slightly modify the wording of Regulation XVII to prevent the possibility of its being misinterpreted.

Full details of the above proposals will be found in the printed Proceedings of the Government of India, Nos. 15 to 23 (Telegraph) for January 1878 (annexure A.)

3. A copy of letter No. 2,451 T. of the 30th November 1877, from the Officiating Director General of Telegraphs, notifying to the Bureau the proposals of the Indian Administration, is also appended (annexure B).

4. On the question of a cheap uniform tariff between all countries in Europe, it is considered by the Goverment of India

that the Indian delegates should take up a neutral attitude, and neither support nor oppose the proposal in question.

5. Nor is the Government of India prepared to entertain the proposals of the Companies to add to the Fao-Bushire transit charge such a sum as may counterbalance any reduction between London and Fao. The correspondence on these points will be found in Government of India Proceedings (Telegraph), Nos. 6 to 12, for May 1878 (annexure C).

6. The Italian Administration has pointed out the inconvenience of intermixing letter and figure cypher in the same State messages, and proposes that a regulation be adopted prohibiting the practice. This proposal the Government of India desire should be supported by the Indian delegates: *vide* Government of India Proceedings (Telegraph) for June 1878, Nos. 7 to 11 (annexure D).

7. Although the Government of India is of opinion that the time has not arrived for definitely proposing a "letter" tariff, they are desirous that every opportunity should be availed of to familiarize the international delegates and the public with the principle of this proposal, which they have decided to be a right and proper one. Under instructions from the Government of India, a historical note* on the subject has been prepared by Mr. G. H. Lane, Officiating Director of Traffic, Indian Telegraph Department; and this note, as well as the latest correspondence on the subject, will be found in Government of India (Telegraph) Proceedings for October 1878 (annexure E.)

* This note having been compiled for the use of the Government, it should not be published or shown, but its contents may be utilized in discussing the question with other delegates or with the Companies.

8. Owing to the continued fall in the exchange with countries using a gold standard of value, the Government of India were compelled from the 1st January 1879 to adopt the rate of 0·50 rupee per franc instead of 0·44 as arranged on the occasion of the St. Petersburgh Conference. This measure deprives the Indian Administration of the rounding off charge on sent messages, of which it had the benefit under the 0·44 rupee per franc exchange. It will therefore be necessary for the Indian delegates at the ensuing Conference to endeavour to obtain for

India the terminal rates of francs 0·65 and francs 0·90 per word recorded to be her due in the St. Petersburgh Convention: *vide* column of remarks, page 642, Berne edition. The correspondence on this point will be found in annexure F. The right of Government of India to adopt a still higher than ·50 of the rupee per franc in case of the state of exchange demanding such a step should be reserved.

From Bengal Chamber of Commerce, to Major General A. FRASER, C.B., R. E., Secretary to the Government of India, Public Works Department—Calcutta, 22nd May 1879.

I have the honour to acknowledge receipt, on 13th instant, of your letter No. 149, of 5th idem,

The Committee of the Chamber are pleased to learn that Government agrees in the view that a limit of 50,000 words would be insufficient for an authorised code. They think, however, that if an authorized Code of 100,000 words were issued, there would be no objection to its introduction without delay; it would meet the wants of commerce, and put a stop to the annoyances to which merchants have been subjected in the past.

The Committee learn with regret that Government is not prepared to oppose any measure that may be brought forward to "place restrictions on the use of private codes in the shape of reducing the number of letters per word, or of confining messages to a single language." Such changes the Committee would urge Government to oppose most strenuously, as being much more objectionable even than a code limited to 50,000 words. The probable effect of curtailing the number of letters to, say, eight per word, or of restricting to one language with words of ten letters, would be to limit a code to about 30,000 words.

The Committee are at a loss to understand the reason for the proposal to be made by the Indian Administration to adopt the divisor 3 for groups of figures in extra European messages, for it is a well-known fact in telegraphy, as has already been pointed out by the Chamber, that figures can be transmitted more cheaply than letters. It would seem from

this that it is not a question of cheap working, or of saving trouble to the telegraph employes, that is the end in view, but the prevention of the use of figures, because these offer a cheap and simple mode of making codes. Merchants do not willingly incur the great labour of rearranging and rewriting a code, but if it has to be done all the latest improvements are certainly introduced and the result will not be an increased revenue. It may be well to mention that every alteration in the rules affecting codes causes each merchant probably six months of continuous hard work to adapt his code to the altered state of matters. The enormous additional work that has already been thrown upon merchants by the numerous changes that have been made causes a very serious ground of complaint against the Indian Delegates who, according to the information of the Committee, have been mainly instrumental in bringing about these alterations.

If a "letter tariff" is what the Government considers the right and proper principle, and as Government evidently proposes to bring it forward at no distant date, the Committee fail to see why any vexatious changes should be adopted in the meantime. The adoption of the "letter tariff" at once would, in the opinion of the Committee, be perhaps advisable, and it would not entail any changes in existing codes, and would settle the question finally, perhaps better than would be done by an authorised 100,000 words code.

Chamber of Commerce, Madras, 30th June 1879.

To the Secretary Bengal Chamber of Commerce,
Calcutta.

Sir,—I am desired by the Chamber to thank you for your letter of the 27th ultimo, enclosing further correspondence which your Chamber has had with the Government of India on the subject of the proposed new Telegraph Code.

The Chamber agree generally in your view of this matter, and trust that the results of the Conference may be satisfactory.

I have, &c.,

P. Macfadyen,
Chairman.

Chamber of Commerce, Bombay, 1st November 1879.

To the Secretary Chamber of Commerce,
Madras.

Dear Sir,—I am directed to forward to you copies of the Memorial which this Chamber has addressed to His Excellency the Viceroy on the subject of the new rules and restrictions passed by the International Telegraph Convention recently held in London, also copies of the letter addressed by this Chamber to the Director-General of the Post Office of India with regard to the anomalies in the rates of postage chargeable in India upon letters and newspapers addressed via Brindisi to the United Kingdom, compared with the rates charged on letters and newspapers addressed via Brindisi to the continent of Europe and America.

My Committee desire me to express their hope that these representations, which are of great importance to mercantile interests, will receive the cordial support of your Chamber.

I have, &c.,
J. Gordon,
Secretary.

Bombay, 28th October 1879.

To His Excellency
The Right Honourable Lord Lytton, G. C. S. I.,
Viceroy and Governor-General of India.

The Memorial of the Bombay
Chamber of Commerce.

Respectfully Sheweth,—That at the International Telegraph Convention, recently held in London, the following rule was adopted, which, if carried out, will be productive of very great inconvenience and expense to mercantile interests, viz:—

"Proper names of persons and places in the text of code messages must be used only in their natural sense."

That practically the whole of the trade of India is now conducted through the medium of the telegraph, which has, however, only become possible by the use of elaborate codes built up during many years with much thought, labour, and expense. The use of these codes enables merchants to condense

into the smallest possible space their telegraphic correspondence, and, ever since the introduction of commercial codes, proper names have always entered largely into their composition, and indeed have always been regarded as more suited than any other class of words for the purpose, owing to the ease with which such words, when mutilated in transmission, can be rendered. A rule, therefore, which excludes the use of proper names as ciphers, would necessitate the compiling afresh of nearly every code now used. Many of these codes were constructed after the St. Petersburg Convention, held only three years ago. And your Excellency will be enabled to form an idea of the expense and labour of constructing these codes when we mention that in one case the construction of a code cost from £1,600 to £1,800, and that the labour of eighteen months was devoted to it. If the rule as to proper names is enforced, the greater proportion of each of the codes now used will, your Memorialists believe, be absolutely useless.

Your Memorialists are informed that the change has been adopted in consequence of a practice of manufacturing words which never had an existence, and representing them to be names of places; but this practice, they respectfully suggest, might have been stopped by limiting geographical names to such as are found in standard atlases, and classical and other names to such as are found in the best dictionaries.

That your Memorialists also desire to bring to your Excellency's notice that, in consequence of the distinction now established by the Convention between "code language" and "*langage clair*," the Telegraph officials will have the right to demand the meaning of messages when proper names appear in them,—an inquisitorial power which your Excellency will recognize as most objectionable.

That, in addition to the new rule prohibiting the use of proper names of persons and places as ciphers, further restrictions have been imposed. According to the rules of the St. Petersburg Telegraph Convention, messages might be sent in any one of the languages used in the territories of the States which were parties to that Convention, or in Latin. But by the International Convention, recently held in London, telegrams in code language are limited to words belonging to the

following languages only, *viz.*, English, French, German, Italian, Dutch, Portuguese, Spanish, and Latin. This limitation will be a great inconvenience to merchants in India, whose codes were composed largely of words in the Hindustani, or other vernacular languages of India, and will necessitate the revision of many of the codes now used in this country.

That, by the St. Petersburg International Convention, a group of five figures was counted as one word, but, by the Convention recently held in London, it is enacted that a group of three figures only shall count as one word. This restriction will also necessitate numerous alterations being made in mercantile codes, and impose very heavy additional expense in conducting telegraphic correspondence.

That as the rules which are adopted by the International Telegraph Convention are of great public importance,—particularly to mercantile interests, from whom, your Memorialists believe, the greater part of the revenue of Submarine Telegraph Companies is derived,—it is matter for regret that this Chamber was not consulted respecting the contemplated new rules before the London Convention assembled; for the changes are totally disapproved, and the Chamber would have taken some pains to ascertain the feeling of the mercantile community with regard to them.

That as the 13th Article of the Convention provides that the rules may be modified at any time by the common agreement of all the contracting States, your Memorialists earnestly hope that your Excellency will endeavour to prevent these injurious changes from taking effect, and we have more confidence in asking your Excellency's interposition, as we understand that it was the delegate of the Government of India who particularly insisted at the Conference upon the adoption of the rules as to the use of proper names.

For these reasons, your Memorialists pray that your Excellency will take the necessary steps to prevent these restrictions from being ratified, and more particularly the vexatious and unnecessary rule prohibiting the use of proper

names of persons and places in the text of code messages except in their natural sense.

And your Memorialists, as in duty bound, will ever pray.

For and on behalf of the Members of the Bombay Chamber of Commerce.

M. MOWAT,
Chairman.

J. GORDON,
Secretary.

Chamber of Commerce, Madras, 13th December 1879.

TO THE PRIVATE SECRETARY TO THE
RIGHT HON'BLE LORD LYTTON, G. C. S. I.,
Viceroy and Gavernor-General of India.

SIR,—I have been desired by the members of the Madras Chamber of Commerce, to request that you will be so good as to submit to the Viceroy, on their behalf, the enclosed copy of a Memorial from the Bombay Chamber of Commerce, on the subject of the new rules and restrictions passed by the International Telegraph Convention recently held in London; and to inform His Excellency that this Memorial meets with the cordial support of the members of this Chamber. As it is understood that the new rules are not to come into force till April next, the Chamber trust that His Excellency the Viceroy may be induced to submit such representations to the authorities in England as will lead to a reconsideration of the rules, which, in their present shape, will be a source of so much hardship and inconvenience to the mercantile community in India.

I have, &c.,

P. MACFADYEN,
Chairman.

Fort William, 31st December 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge receipt of your letter dated 13th December on the subject of the new rules passed by

the London Telegraph Conference, and to inform you that while the Government of India greatly regrets the inconveniences anticipated by the mercantile community from the alterations and restrictions now introduced, His Excellency the Governor General is not prepared to oppose the conclusions arrived at by the International Telegraph Conference.

2. The decisions of the International Telegraph Conference are those of the representatives of nearly every Government in the world, and in framing them the interests of the owners of the vast capital sunk in telegraph undertakings have to be kept in view, as well as the interests and convenience of the general public.

3. I am to add that the assent of the Government of India to the new rules was communicated to Her Majesty's Government with a view to the ratification of the Convention before your letter under reply was received.

I have, &c.,

G. F. L. MARSHALL, Capt., R. E.,
Asst. Secy. to the Govt. of India.

W.

OVERLAND POSTAGE.

Chamber of Commerce, Bombay, 31st October 1879.

TO THE DIRECTOR-GENERAL OF THE POST OFFICE OF INDIA,
Simla.

SIR,—I am directed by the Committee of the Chamber of Commerce to bring to your notice the anomaly in the rates of postage chargeable in India upon letters and newspapers addressed *via* Brindisi to the United Kingdom, compared with the rates charged on letters and newspapers addressed *via* Brindisi to the continent of Europe and America.

The rates charged on letters addressed to the United Kingdom *via* Brindisi are 5 annas per ½ oz., and on newspapers 2 annas per 4 oz., while the rates on letters to Germany *via* Brindisi are only 3 annas for letters and 1 anna for news-

papers, although the distances to many places in Germany are very little less, and in some cases greater, than the distances to the United Kingdom. The rates of postage to Russia, including Finland, on letters addressed *via* Brindisi through Germany, are 3 annas per ½ oz. for letters, and 1 anna for newspapers, being the same as the rates to Germany, and 2 annas less for letters and 1 anna less for newspapers than the rates charged to the United Kingdom, although the distance to Russia is much greater than to the United Kingdom. Again, the rates of postage charged on letters and newspapers addressed to the United States of America *via* Brindisi, through the United Kingdom, are the same as the rates to the United Kingdom only, *viz.*, 5 annas per ½ oz. for letters, and 2 annas for newspapers.

The same anomaly appears also in the rates of postage chargeable in the United Kingdom, in the United States of America, and in Germany, to India. The rates charged in the United Kingdom on letters addressed to India *via* Brindisi are 6d. per ½ oz., on newspapers 2d. per 4 oz., while the rates from the United States or Germany *via* Brindisi are 2½d. for a letter and 1d. for a newspaper.

The Committee are wholly at a loss to conceive on what principle these arrangements were entered into. The correspondence between England and India is probably greater than the correspondence between India and all other countries taken together, and this consideration alone should have entitled it to cheaper rates of postage. That correspondence, however, is, in fact, taxed for the benefit of foreigners, and the British and Indian Governments are giving the advantages of the overland postal service, which costs their respective people a heavy sum, to foreigners at considerably less rates than are charged to their own countrymen. The Committee respectfully submit that this anomaly should cease, and that the people of India and Great Britain, who pay for the postal service, should have the privileges given to other countries. If it be argued that the loss of revenue in working the overland postal service is already very heavy, then I am to point out that reduced rates of postage on letters between England and India would proba-

bly result in so great an increase of letters and newspapers being sent by the overland mail service as to lead to a considerable augmentation of the postal revenue.

The Committee direct me respectfully to ask you if you will be so good as to submit the whole subject to the Government of India, with a few to the rates of postage between the United Kingdom and India, and India and the United Kingdom, being placed on the same footing with the rates charged from the Continent of Europe and the United States of America to India, and from India to those countries; and in the meantime they will be much obliged to you if you will kindly favour the Chamber with a copy of the proceedings of the Postal Union Convention recently held at Paris.

I have, &c.,

J. GORDON,
Secretary.

Chamber of Commerce, Madras, 13th December 1879.

TO THE DIRECTOR-GENERAL OF THE POST OFFICE OF INDIA,
Calcutta.

SIR,—The Members of the Madras Chamber of Commerce have been favored with a copy of the letter addressed to you on the 31st October last by the Bombay Chamber, pointing out the anomalies existing in the rates of postage chargeable in India upon letters and newspapers addressed *via* Brindisi to the United Kingdom, compared with the rates charged on letters and newspapers addressed *via* Brindisi to the Continent of Europe and America.

There appears to the Chamber to be much force in the observations of the Bombay Chamber, and I am desired to express a hope that a subject of so much importance to the mercantile community and the general public combined may receive your early attention.

I have, &c.,

P. MACFADYEN,
Chairman.

Calcutta, 22nd December, 1879.

To the Chairman Chamber of Commerce,
Madras.

Sir,—In reply to your letter dated 13th December 1879, I have the honor to forward to you a copy of my reply to the letter addressed to me by the Bombay Chamber of Commerce on the 31st October 1879.

I have, &c.,
L. G. Walsh,
For Dir. Genl. of the Post Office of India.

Simla, 11th November 1879.

To the Secretary Chamber of Commerce,
Bombay.

Sir,—I have the honor to acknowledge the receipt of your letter dated the 31st October 1879, expressing the inability of the Committee of the Chamber of Commerce to understand the principle upon which the arrangements about foreign postage rates have been entered into, and requesting that the whole subject may be submitted to the Government of India with a view to the rates of postage on correspondence passing in either direction between India and the United Kingdom being placed on the same footing as the rates charged on correspondence similarly passing between India on the one hand, and the continent of Europe and the United States of America on the other hand.

2. I shall in the first place endeavour to explain to the Chamber the principle which governs the present arrangements.

3. The International Postal Convention concluded in Paris in 1878 provided for three different scales of postage rates, viz :—

(I.) The Ordinary Union Scale of rates: applicable wherever the transit does not include sea conveyance exceeding 300 miles, viz :—

Letters per 15 grammes (about ½ oz.) = 25 Cents = about 2½ Pence.
Post Cards ... ... 10 „ = about 1 „
Printed Articles
Samples, &c.. per 50 grammes (nearly 2 oz.) = 5 „ = about ½ „

With certain minimum charges which it is unnecessary here to detail.

(II.) The Ordinary Union Scale of rates increased by sea-rates wherever the sea conveyance exceeds 300 miles. The

rates so increased were limited by the Convention as follows:—

	Ordinary cents.		Sea rates cents.		Total cents.		Pence.
Letters as above...	25	+	25	=	50	or about	5
Post Cards	10	+	5	=	15	or about	1½
Printed articles, &c. as above..	5	+	5	=	10	or about	1

(III.) Either of the two scales of rates mentioned above increased by the actual cost of any extraordinary service such as transit by special train.

4. It is in the option of any country to forego the collection of the additional sea rates authorized under head No. II; and this option has been exercised by the countries mentioned in the margin. Most of these countries have so little sea-borne correspondence to deal with that it is hardly worth their while to have separate rates for it. But in the cases of Germany and the United States, which have considerable sea-borne correspondence, the principle is, no doubt, that of making the cost of sea conveyance a charge not upon the correspondence itself, but upon the general revenues of the State.

Bulgaria, Egypt, Germany, Greece, Luxemberg, Roumania, Russia, Turkey and United States of America.

5. It is also in the option of any country to forego the collection of the extra rates authorized to meet the expense of transit by special train: but there are very few instances of the use of special mail trains. The special train for the conveyance of the eastern mail across the continent of Europe, and a similar service across the United States of America are the only instances of importance.

6. The fact of a special train service being used at great cost to convey the eastern mails across the continent of Europe and the consequent levy of extra postage to meet the extra cost so incurred is the main cause of the difference of rates to which the Chamber take exception. And I may mention that the extra postage so levied is rather below than above the actual extra cost involved in transit by special train. If India were content with the ordinary train service across Europe, there would be no necessity for levying the extra postage: but the Government has always regarded it as a proper thing to make the large extra cost involved in the special train service a charge upon the correspondence so conveyed, the only

other way of meeting it being that of defraying it from the general revenues of the country.

7. I do not think that the present would be a favorable time to raise the question of throwing an additional burden upon the State by the remission of postage revenue; the more so because the loss of revenue on the sea service which connects India with Europe is already very heavy.

8. I do not lose sight of the anticipation expressed by the Chamber to the effect that "reduced rates of postage on letters between England and India would probably result in so great an increase of letters and newspapers being sent by the overland mail service as to lead to a considerable augmentation of the postal revenue:" but I do not feel able to hold out to the Government a probable realization of the anticipation within any reasonable limit of time. The rate of postage on Brindisi letters stood at 8 annas prior to July 1876: it was then reduced to 6 annas, and in April 1879, it was still further reduced to 5 annas. But these reductions have had no material effect in stimulating correspondence; the only marked effect being the transfer of a considerable portion of the correspondence formerly sent by the cheaper Southampton route to the more expensive Brindisi route.

9. With this fact in view it would be impossible for me to expect, or to lead the Government to expect, any such increase of correspondence as would substantially modify the estimate of the loss which would follow the reduction of postage rates advocated by the Chamber.

10. I shall, however, submit a copy of your letter and of this reply to the Government of India.

I have, &c.,

A. M. MONTEATH,

Dir. Genl. of the Post Office of India.

X.

SITE OF THE NEW POST OFFICE.

Chepauk, 31st December 1878.

To the Chief Secretary to Government,
Fort Saint George.

Sir,—With reference to your demi-official note dated the 30th instant, enclosing copy of a telegram from Sir A. Clarke addressed to His Grace the Governor of Madras, I have the honor to state that I have consulted the Manager of the Madras Bank, and he is of opinion that there is no other suitable site available for the proposed new premises other than that previously selected for the combined Post and Telegraph Offices.

The Chamber of Commerce would, I believe, object to the removal of the proposed new buildings. This point I will ascertain officially, and report on in due course. The Bank must sooner or later quit the existing premises, and this consideration may possibly alter the views of the Chamber as it would undoubtedly be very inconvenient to them to have the Presidency Bank far from the commercial centre.

If the Post Office and Telegraph Office were to be built separately, the site under notice would accommodate both the Bank and the Post Office, and the open space near the Central Station would make an admirable site for the Telegraph Office. I believe a saline atmosphere is objectionable in telegraphy, and a branch office would answer all purposes so far as the public were concerned.

The whole frontage measures 375 feet, the combined building 350 feet. If the half of this could be given to the Bank, or say 180 feet, I think it would afford sufficient accommodation for the Bank, and leave space enough for the construction of the Post Office.

I have, &c.,

R. Chisholm,
Consulting Architect to Govt.

Chepauk, 3rd January 1879.

TO THE SECRETARY TO THE CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honor to inform you that the Directors of the Bank of Madras have applied to Government to permit them to purchase the site selected for the Telegraph and Post office buildings, with the view of constructing a new Bank building. The local Government approves of the Bank's proposal. On a reference to the Supreme Government being made, I have been requested to ascertain what views the Chamber of Commerce hold on the subject of the removal of either or both of the Government buildings from the site selected. I beg to enclose a letter addressed to the Chief Secretary to Government on this subject. I have only to add that the premises occupied by the Bank of Madras opposite the Post office would, with certain alterations, make an excellent Telegraph office, if the Central Station site is considered too far from the commercial centre. There is another point which might be brought to the notice of the Chamber. It is 16 years since this site was selected by Government for the Post Office, and the Supreme Government has declared its inability to proceed with the work for 2 or 3 years. Is it worth while to retard the progress of the town for so problematical a scheme?

I have, &c.,

R. CHISHOLM,
Consulting Architect to Govt.

Public Works Department, Fort St. George, 7th January 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to inform you that the Government has lately had under reconsideration the question of the site for the New Post and Telegraph Offices at Madras. It is now more than two years since the Government of India intimated that the state of the finances did not admit of their making an assignment for the work, and it has been ascertained that there will be no possibility of funds being available for another year or two at the least.

The Madras Bank, as the Chamber of Commerce are no doubt aware, have long desired the site on which it was proposed to build the Post and Telegraph Offices, and the Government understand that there is no other site convenient to business centre upon which new Bank premises could be erected.

Under these circumstances, and considering the obvious objection to allowing the site in question to continue in the same waste condition in which it has been for years past, and its value to be locked up, the Governor in Council has resolved to recommend to the Government of India that the site be at once made over to the Madras Bank.

In addition to the other considerations already mentioned, the immediate commencement of such an extensive work as the new Bank would afford much needed employment to a large number of laborers and artizans.

With regard to the location of the Post and Telegraph Offices when the Government of India are in a position to make a grant for their commencement, it appears to the Government that if the beach is ultimately considered the best site, no difficulty will be found in providing a suitable, and in some respects even a better site than that originally proposed, on the other side of the road, either immediately or nearly opposite to it.

I have, &c.,

E. A. FOORD, Col., R. E.,

Secy. to Govt. P. W. D.

Chamber of Commerce, Madras, 13th February 1879.

TO THE SECRETARY TO GOVERNMENT,

Public Works Department.

SIR,—I have laid before the members of this Chamber your letter of the 7th ultimo, stating that the site on the Beach, which the Madras Government had assigned for the site of the proposed new Post office and Telegraph office, is now to be recommended to the Government of India as the site for the new Bank of Madras.

The Chamber have received this intimation of the intentions of the local Government with much surprise and regret. Permit me to remind you briefly of the circumstances under which a previous Madras Government consented to make over

the site in question for the proposed new Post office and Telegraph office. On a proposition emanating from the Director General of Post offices in 1868, Lord Napier's Government recommended that the new Post office should be erected on a site near the Central Railway Station, on the plea that it was "more central" than the Beach. The Chamber pointed out that the larger portion of the mails came from and went to Black Town, and that most of the offices of Government were nearer to the North Beach than to the Central Station; and that consequently both the interests of Government and the mercantile community would be served by having the Post office in Black Town. The Director-General of Post offices (15th June 1872) admitted that the arguments of the Chamber had convinced him "of the propriety of reconsidering the question of the Post Office site," and the Directors of the Madras Bank having relinquished, in favor of the Post Office, their claim to the site at Abercrombie's Battery (which appears to have been assigned to them in 1871, or three years after the Chamber had recommended the site for the new Post Office and Telegraph office) the Madras Government on the 14th January 1873 were pleased to pass the following order in the Financial Department:—

"As the Directors of the Madras Bank have relinquished the site assigned to them out of the block of land between the Stamp Office and the road intersecting Abercrombie's Battery, instructions will be issued in the Department of Public Works to the Consulting Architect to frame his design for placing the new General Post Office and the Central Telegraph Office on this site."

In accordance with this order the work of laying the foundations was, the Chamber believe, actually commenced, but was stopped for financial reasons. It may be presumed also that the usual expense attendant on preparation of plans and estimates was incurred. On the 6th October 1874, the Chamber remarked in a letter to the Post Master General.

"The Chamber think it matter for regret that work on these much-needed buildings should have been suspended. I need scarcely remark that the want of more central Post and Telegraph Offices is as keenly felt by the mercantile community

now as it was when the Chamber addressed the Government on the subject two years ago. The Telegraph is in fact more than ever in use in the conduct of mercantile affairs, while it need hardly be pointed out that there would be some advantage both to Government and the public, in having a General Post Office large enough to accommodate both the Post Master and the Post Master General of Madras with their respective establishments. At present two separate buildings have to be rented by the local Government for the accommodation of these two establishments."

The Government of India (25th September 1874) stated in reply to the Chamber's suggestion that provision would be made for the new Post Office in next year's budget. On the 8th November 1875 the Chamber again called attention to the delay in commencing the work, when the Government replied (16th November 1875) that one lakh of rupees for expenditure in 1876-77 had been allotted, and that His Grace the Governor in Council "was not apprehensive that any delay will occur in the prosecution of the work after the 1st April 1876." On the 28th April 1876 the Chamber had to complain that though the Government of India had admitted that the new Post Office was a "work that is much required," they had struck out the allotment that was to have been expended on it from the Budget. The Government of India, however, (27th June 1876) regretted that the state of the finances did not admit of an assignment for the work, but added that "as soon as it is possible, an allotment will be made for the purpose." It is now stated in your letter under reply that it has been ascertained that there will be no possibility of funds being available for another year or two at the least, and that therefore the Madras Government now propose to hand over the site to the Directors of the Bank of Madras. As regards another site for the Post Office it is added that "if the beach is ultimately considered the best site, no difficulty will be found in providing a suitable and, in some respects, even a better site than that originally proposed, on the other side of the road, either immediately or nearly opposite to it."

The Chamber would submit that no sufficient reason has been advanced in your letter for disturbing a decision with

regard to the site of the new Post office and Telegraph office which was arrived at after much discussion and deliberation. The Abercrombie Battery site was selected after it had been conclusively proved to be the most convenient site available, both for the Government and the mercantile and trading classes of Madras. In view of the completion of the Harbour, and the probable increase in the trade of the port, the arguments in favor of a beach site for the Post and Telegraph offices have been strengthened rather than weakened; and though the Chamber are willing to admit that the Bank of Madras ought also to find a site on the Beach, they cannot allow that institution, which is only of a semi-public character, should have claims to precedence over two important Public Departments like the Post and Telegraph offices. The Chamber see no reason why the Bank of Madras should not have the site which you, in your letter, have been good enough to indicate as being possibly available in the distant future for the Post office; and they express this opinion with the greater confidence, seeing that there is some reason for doubting whether the shareholders of the Bank will, in the present depressed state of trade, consent to the Directors building new premises anywhere, even though the Government should offer them the site which has for so long a period been allotted for one of the most important departments of the public service.

The Chamber observe in the Consulting Architect's letter which forms an enclosure to your letter, a proposition for building the Central Telegraph Office near the Central Station on a site which he describes as "admirable." In this definition, the Consulting Architect, it may be inferred, does not include the consideration of public convenience. In connection with this subject, the Chamber would beg you to refer to the Proceedings of Government P. W. D., 20th March 1869, No. 321, in which you will observe that the Consulting Architect was informed ten years ago of the practical objections that existed to having the Central Telegraph Office so far away from the centres of business, Mr. Chisholm then reported—"I met Mr. Barley at the request of Col. Robinson, and learnt from the former gentleman that there would be very serious objection to the proposal made in my letter No. 304 dated the

13th February 1869, to place the Telegraph office next the Post office" (*i. e.* near the Central Station) "and that the revenue derived from the former was in the inverse ratio of the distance of the office from the centre of business." The Chamber would remark that the argument of the Telegraph authorities has the same force in 1879 as it had in 1869.

In conclusion the Chamber desire me to express their earnest conviction that the public interests will be best served by having the Central Post office and Telegragh office under one building, in a central, business part of Black Town, on the site, in fact, which was settled upon after the fullest inquiry and deliberation, several years ago; and the Chamber would venture to suggest that as both the new Post and Telegraph offices are urgently needed, a commencement may be made with them at once by an allotment from Provincial funds, which the Government of India might reimburse to the Government of Madras when the finances of the Empire are in a more flourishing condition.

I have, &c.,

P. MACFADYEN,
Chairman.

Proceedings of the Madras Government, Public Works Department, dated 2nd April 1879.

Read the following papers:—

Telegram from the Secretary to the Government of India, Public Works Department, Calcutta, to the Secretary to the Government of Madras, Public Works Department, dated 15th March 1879.

Your telegram of seventh January. Funds for Madras Telegraph and Post Office under consideration. Abercrombie site should not be surrendered to Bank. More by post.

From the Secretary to the Government of India, Public Works Department (Account—Military and Civil), to the Secretary to the Government of Madras, Public Works Department, dated Fort William, 15th March 1879, No. 34 A—M and C.

In continuation of a telegram of the 15th March, and in reply to your telegram of the 7th January, I am directed to inform you

that there is a possibility that funds may be made available for the commencement of the Post and Telegraph Office building at Madras during the year 1879-80, and a further communication will be made to you when the point is finally decided.

2. But, whether funds are made available for expenditure during the coming year or not, I am directed to inform you that the Government of India objects to the surrender of the Abercrombie site to the Madras Bank.

3. It does not appear from the correspondence that the views of the Madras Chamber of Commerce have been ascertained and considered, as suggested by Sir A. Clarke in his telegram of the 13th December 1878 to His Grace the Governor; but as the Abercrombie site is manifestly a far more convenient location for the Post and Telegraph Offices, not only as regards the mercantile community, but also as regards the general public of all classes, the Government officials, and more particularly the health and convenience of the officials of both the departments concerned than the site near the Railway station, the Government of India cannot, in the absence of weighty reasons to the contrary, permit the appropriation of the Abercrombie site to any other purpose.

4. If, as is gathered from your telegram under reply, there is no difficulty anticipated in finding "a suitable and in some respects better site on beach side of the same road at or near the same point as the site hitherto selected" for the Post and Telegraph Offices, the Government of India wishes it to be considered whether such alternative site cannot be made to suit the convenience of the Bank.

From the Secretary and Treasurer, Madras Bank, dated 17th March 1879.

Telegram from the Secretary to the Government of India, Public Works Department, Calcutta, to the Secretary to the Government of Madras, Public Works Department, dated 22nd March 1879.

Imperial Buildings and Roads Budget 1879-80 sanctioned for proposed grant, viz., Rupees 8,68,000 plus 100,000 for combined Post and Telegraph Offices; total 9,68,000. Detailed orders not yet passed. Incur no outlay on works without estimate.

ORDER THEREON, 2nd April 1879, No. 1,017.

Communicated to the Consulting Architect, with reference to Government Proceedings of the 8th May 1876, and the 30th October 1876, Nos. 1,138 and 2,917.

2. It will be pointed out to the Government of India that plans and estimates for the building were sanctioned in the spring of 1876, and that there is therefore nothing to prevent the commencement of the work, which Mr. Chisholm should arrange to set in hand forthwith.

(Here enter No. 1,018 W, dated 2nd April 1879.)

J. H. M. SHAW-STEWART, Col., R. E.,
Ag. Secy. to Govt., P. W. D.

Chamber of Commerce, Madras, 24th December 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort Saint George.

SIR,—The members of the Chamber of Commerce have learnt with much regret that the proposed grant for the new Post and Telegraph Offices at Madras has been struck out of the Budget for 1880-81.

With the Proceedings of the Madras Government before them, dated 2nd April 1879, intimating that the Government of India had directed the Abercrombie's Battery site should be reserved for the above offices, that Rs. 1,00,000 had been sanctioned for the buildings in the current year's budget, and that the Consulting Architect had been directed to put the work in hand forthwith, the Chamber had hoped that this vexed question, which has now been under discussion for nearly twelve years, had been finally settled. The Chamber can only assume now that the grant of money has been withheld on account of the financial exigencies of the moment, and if this assumption be correct, they claim the right, as large contributors to the postal and telegraph revenue, to question the reasonableness and justice of the decision arrived at by the Supreme Government. If the Madras Post office and Telegraph establishments occupied Government offices, even though these offices might be inconvenient both as regards size and situation, the Chamber could understand that,

in times of financial pressure, the Government would hesitate to spend money in building new offices. But the Madras Government have for many years past been renting buildings for the accommodation of the Post and Telegraph establishments, and during that period have paid away very considerable sums in respect of house-rent. The Chamber understand that the Chief Post office in Popham's Broadway (which has no space for the accommodation of the Post Master General and his establishment, who are located in another rented building) has been rented for upwards of 20 years at about Rs. 400 per month, while the Telegraph Office has been rented for about the same period at Rs. 200 per month. Like that for the Post office, the rent of the Telegraph Office will probably be an increasing item as the work of the Department increases. It will thus be sufficiently apparent to Government that a sum has already been paid away in the shape of rent for the above offices which would have gone a long way towards erecting the new offices on the Beach, the necessity for which has been felt for the last twelve years, both by the public and the Departments. Considering the permanent character of institutions like the Post and Telegraph, and that the tendency of such departments is to expand with the growth and civilization of the native community, the Chamber must express their surprise that the Government of India should so persistently neglect to provide economical and convenient accommodation for the Postal and Telegraph Departments in Madras.

The Chamber beg to call your attention to the following statistics, taken from the last "statistical abstract" presented to Parliament, by way of emphasising the necessity that exists for a new Central Post office and Telegraph office in Madras. The following figures show the number of letters, newspapers, parcels and packets received for delivery in Madras during the last ten years :—

Madras	...	... 1869	... 12,167,455	...	1874	... 16,615,201
Do.	...	... 1870	... 13,170,747	...	1875	... 18,891,069
Do.	...	... 1871	... 13,410,312	...	1876	... 20,191,855
Do.	...	... 1872	... 13,922,227	...	1877	... 21,919,267
Do.	...	... 1873	... 14,700,246	...	1878	... 22,415,876

It will be seen that the Post office work has nearly doubled during the above period, and the Chamber are gratified to observe

that the increase is considerably greater in this Presidency than in other parts of India. The receipts of the Indian Telegraph Department have increased in the same period from £114,499 in 1862 to £306,089 in 1878, and it is fair to assume that a good portion of this increase should be credited to this Presidency.

The Chamber trust that they have said enough not only to induce the Government of India to reconsider their decision, but to convince them that the interests of all concerned will be best served by building the new Post and Telegraph offices without further delay.

I have, &c.,

P. MACFADYEN,
Chairman.

Y.

THE HARBOUR WORKS.

Proceedings of the Madras Government, Public Works Department, dated 27th February 1879.

Read the following papers:—

From W. PARKES, Esq., M. I. C. E., Engineer-in-Chief, Madras Harbour Works, to the Secretary to Government, Public Works Department, dated Madras, 24th January 1879.

I have thought it desirable to take the opportunity while at Madras of examining the accounts of expenditure on the Harbour Works with the view of comparing them with my original estimate, and of submitting the comparison to the Government in such a form as will enable them to judge how far our experience up to the present time justifies my estimate of the total expenditure on the Harbour.

2. To facilitate this I have prepared a rearrangement of the figures of my estimate in a form that will show more clearly the anticipated cost of the successive stages of the work. Not only the total amount, but all the dimensions and prices are the same as in the original, the only difference being that the money

column is carried out to show the cost of *sections* of the completed work instead of the total cost of each *class* of work (rubble stone, concrete blockmaking, setting blocks, &c.). The money column is also carried out in Rupees at 10 to the £ sterling, which was the value when the estimate was made.

3. I also beg to submit a tracing of the completed Harbour, with the several sections shown, and the estimated cost marked on each.

4. The boundaries of the sections were determined by the positions of the contour lines of depth shown on the plan on which I originally based my design, and the substantial correctness of which has since been confirmed by the special surveys made. Thus, from the shore to the $2\frac{1}{2}$ fathom line at each pier F and L represents the rubble stone "surf banks." From the $2\frac{1}{2}$ to the 4 fathom line F to G and L to M the shallow water or three course sections, and from thence outwards the rubble base is calculated for according to the increasing depth by each successive fathom, and the superstructure at the uniform height of four courses of blocks. In addition to the aggregate cost of these several sections, Rupees 8,00,000 is allowed for "Plant and Preliminaries," 10 per cent. for "Contingencies," and 5 per cent. for "Establishment," making a total of Rupees 56,50,740.

5. The statement of expenditure naturally lends itself to a somewhat similar arrangement, but a little modification of form in the statements hitherto submitted is required to present a clear ground for comparison. I have prepared the accompanying statement of the expenditure to 31st December with the necessary modifications, the nature of which is explained in detail in Appendix No. 4, and the result shown is that the expenditure on the two piers apart from "Plant and Preliminaries," "Contingencies," and "Establishment" as far as completed to the 31st December was—

	Rs.
For the North Pier	6,61,151
For the South Pier	3,13,256
Total...	9,74,407

which includes about Rupees 20,000 for rubble stone deposited in advance of the completed portions of the work.

6. The estimated expenditure on the same portions was as under:—

North Pier.	Rs.
Surf bank A to F	2,37,188
Shallow water, Section F G	1,80,612
4 to 5 fathoms G H	1,78,150
Proportion of 5 to 6 fathoms $\frac{320}{650}$ of H I ...	1,41,312
Total...	7,37,262
South Pier.	
Surf bank D to L	2,37,189
Shallow water, Section L M	1,80,612
Proportion of 4 to 5 fathoms $\frac{50}{450}$ of M N ...	19,794
Total...	4,37,594
or total for the two piers	11,74,856

showing a saving on the estimate of Rupees 2,00,449 without making any allowance for the advanced rubble stone.

7. There were also on the ground at the date under notice 1,011 concrete blocks containing 15,432 cubic yards prepared at an actual cost of Rupees 1,47,012, of which the estimated cost was Rupees 1,54,320, showing a further saving of Rupees 7,308.

8. If it were justifiable to make the cost of the work so far as executed the basis of a revised estimate for the whole, the result would be a smaller total than that of my original estimate, but the difference would still be within the limits of uncertainty which may naturally be expected in such an undertaking. I would therefore only submit the general conclusion that the present comparison of estimate and expenditure affords a strong presumption that the work will be completed within the original estimate of Rupees 56,50,000. The bulk of the saving is not in the pier works proper,* but in the surf banks, for which my original estimate was undoubtedly excessive. It was, however, impossible for any one to form any definite idea of the difficulties

* The actual rates are as under—
Rubble nearly Rupees 2 per ton as against Rupees 1-8-0 estimated, but this is already much reduced.
Blocks Rupees 9-8-0 per cubic yard as against Rupees 10 estimated.
Blocksetting Rupees 47 per lineal foot as against Rupees 70 and Rupees 80 for three and four course work respectively.

and obstructions which would be met with in pushing through the surf and shallow water. The result has proved that I over-estimated the cost of the operation, and perhaps somewhat under-estimated the time required for it.

9. The head of "Plant and Preliminaries" shows an expenditure to date of Rupees 8,91,198, and about Rupees 2,000 additional will be required for an office and store for the south pier under the sub-head "Buildings." All the other sub-heads will now be absolutely closed; any necessary additions to the plant or machinery will be charged to the works with which they are connected. Indeed, in the modified statement I submit I have made this rule to some extent retrospective, and have transferred several items to the accounts of the actual works. If any important additions should be required it will be for some purposes unforeseen when the original estimate was made, and these should be charged to "Contingencies." To this heading I have removed the charge for the new block ground at the south pier. The total amount charged to "Plant and Preliminaries" in my revised statement is Rs. 1,456 in excess of that in the statement already submitted, but this total is arrived at after making considerable changes in the several items. An aggregate of about Rs. 39,500 has been transferred from it to the several heads of the works in progress with which they are connected, and a sum of Rupees 41,004 has been transferred to it from "Rubble Base," being the charge for the current expenses of the steam hopper barges up to the time they were employed in depositing stone. This I consider to be a fair charge against "Preliminaries," because the delay in bringing the barges into work has rendered unnecessary the costly jetty for loading the stone which was originally contemplated, for which it is therefore a substitution. The comparatively small arrangements which will now be required for this purpose may be fairly charged against the current expenses of depositing the rubble base. The same rule has been, as far as possible, followed in all cases; as soon as the several works were fairly started they were made to bear the charges of not only the working and maintenance of the plant and machinery, but also of various small additions which experience showed to be desirable. Where more important addi-

tions are made, as in the case of the new block ground at the south pier, it may be presumed that the occasion for them will have been due to unforeseen conditions, and the charges should be carried to "Contingencies."

10. Comparing the cost of "Plant and Preliminaries" (now with the small exception noted completed) with the estimate of Rupees 8,00,000, an excess of about Rupees 93,000 is shown, but a considerable portion of this is due to the loss on exchange on English purchases. With regard to the remainder it is only necessary to explain that the original estimate could not be other than a very rough one. I know that every economy was exercised in making the several provisions, and I think a proof of the general efficiency and sufficiency of the plant is given in the fact that so considerable a portion of the works have been executed under the estimated rates.

11. For *Contingencies* an allowance of 10 per cent. was made in the estimate. Ten per cent. on the expenditure of Rupees 20,12,617 would be Rupees 2,01,262, but hitherto only Rupees 49,778 have been charged to this head, being only 2½ per cent. As this is the fund specially reserved for unforeseen requirements, it would be improper to hazard any prediction as to what future claims may be made upon it.

12. The item of *Establishment* shows so far an excess over my estimate, being 9 per cent. on the expenditure instead of 5. This is in great measure accounted for by the delays which occurred to the works preventing expenditure without the possibility of reducing the establishment at the same time. I hope a great part of the excess will be recovered as the works progress more rapidly.

13. The head of *materials in store* is not comparable with the estimate as the charges are not brought into the account till the materials are issued to the works.

14. I beg to recommend the substitution of my amended statement of expenditure to the 31st December for that already presented as giving a fairer view of the relative cost of the different departments of the work, but any orders the Government may give on this will not effect future monthly statements

except in the case of the few items which I propose to withdraw from the head of "Plant and Preliminaries," and on which expenditure is going on.

15. It will be observed that in my amended form of estimate I have not inserted the additions and sub-divisions which were made after the original passed out of my hands. I hope the Government will sanction their omission in future.

16. In conclusion I would suggest that as this letter contains some conclusions of public interest and calculated to correct some prevalent misapprehensions, it might be advisable to communicate it to the Editors of the local papers.

ORDER THEREON, 27th February 1879, No. 603 W.

With the foregoing letter Mr. Parkes submits statements prepared with the object of showing how far his original estimate of the cost of the Madras Harbour Works has been borne out by actual experience.

2. In 1875 it was considered desirable that Mr. Parkes' original estimate of £565,000 for the works should be thrown into such a form as would enable the local Accounts Officers to deal with the monthly expenditure in the manner prescribed by the Government of India, and a revised estimate, prepared in some detail and amounting to Rs. 64,00,000 was submitted by the late Mr. May.

	£
Mr. Parkes' original estimate	565,000
Added by Government of India for additional rubble ...	20,000
Interest during construction	43,000
Total...	628,000

3. This revised estimate was objected to by Mr. Parkes on various grounds, and in May 1876 another estimate was prepared by the Chief Engineer, which in its abstract form, and with the exception of the one item for additional rubble, was accepted by Mr. Parkes.

4. To facilitate a comparison between the estimated and actual cost of the Harbour up to the end of last year Mr. Parkes has rearranged this estimate, dividing the work into

sections, and showing the expenditure, estimated or actual as the case may be, upon each section.

5. He has carried out the money column at Rupees 10 to the pound sterling, which was the rate at which the estimate was made.

The effect of this rearrangement is shown in the following abstracts :—

Chief Engineer's Estimate.		*Mr. Parkes's Estimate.*	
	RS.		RS.
Plant	4,20,000		
Buildings	75,000		
Preliminaries	2,75,000		
Land	30,000		
	8,00,000	Plant and Preliminaries ...	8,00,000
Rubble stone work ...	14,39,720	... ...	4,74,375
Piers from 2½ to 4 fathoms	3,02,500	... ...	3,61,225
Piers from 4 faths. outwards	23,11,500	From 4 to 5 fathoms 3,56,940	
		„ 5 to 6 „ 6,00,576	
		„ 6 to 7 „ 8,36,400	
		„ 7 to 7½ „ 14,24,210	
			32,18,125
Light-houses	60,000	... ...	60,000
Establishment	2,45,690	... ...	2,45,685
Maintenance & Contingencies.	4,91,380	... ...	4,91,380
	56,50,790	... ...	56,50,790
Additional sum on account of rubble...	2,00,000		
	58,50,790		

6. With this rearranged estimate Mr. Parkes submits a statement of actual outlay to the end of 1878, showing that on the northern arm of the Harbour, which had then been advanced about half-way through the five to six fathom section, the sum of Rupees 6,61,151 had been expended, against the estimated cost for the same length of Rupees 7,37,262; while on the southern arm, which was beginning to enter the four to five fathom section, the real and estimated expenditure were respectively Rupees 3,13,256 and Rupees 4,37,594; the total saving on both piers thus amounting to Rupees 2,00,449, irrespective of the cost of the advanced rubble foundation, and of a considerable saving on the concrete blocks manufactured up to the 31st December.

7. On other items of the estimate, such as Plant and Preliminaries, and Establishment, the expenditure is in excess of that anticipated, but the first named heads may with good reason be held to have been practically closed at the present date.

8. His Grace the Governor in Council concurs with Mr. Parkes in considering that, while the undertaking is in its present stage, it would be unwise to build too confidently upon these favorable results; but it is satisfactory to find that, so far, the expenditure on the works has on the whole been kept within the estimated cost.

9. It must also not be forgotten that, although the amount spent on tools and plant and machinery has necessarily been treated as a final charge, those articles represent a very considerable sum which will eventually be credited to the works.

10. Turning to Mr. Parkes' proposals in regard to the transfer of expenditure from one sub-head to another, His Grace the Governor in Council considers that each transfer should be brought forward on its own merits, and that the matter should be discussed between the Superintendent and the Examiner, Public Works Accounts. Such a transfer as that of the new block ground at the south pier from Preliminaries to Contingencies, being at variance with the procedure in case of the north block ground, does not commend itself to the Government.

11. Nor can the Governor in Council consent to the proposal made in the 15th paragraph of Mr. Parkes' letter. The additions made to the original estimate were included in the sanction given by the Secretary of State, and must so remain until actuals can be substituted for estimate at the completion of the work.

12. These Proceedings will be forwarded to the Secretary of State and the Government of India, and communicated to the Harbour Committee and the Chamber of Commerce; and will also be placed on the Editors' table.

J. H. M. SHAW-STEWART, Col., R.E.,
Ag. Secy. to Govt., P.W.D.

Proceedings of the Madras Government, Public Works Department, dated 5th March 1879.

Read the following paper:—

From W. PARKES, Esq., M. Inst. C. E., Engineer-in-Chief, Madras Harbour Works, to the Acting Secretary to Government, Public Works Department, dated Madras, 25th February 1879, No. 7 W.

Having, since my arrival in Madras on the 12th January last, submitted to the Government three reports, the first dated 24th January on the expenditure on the Harbour Works up to 31st December last, the second dated 15th February on the diversion of the town sewage from the Harbour, and the third dated this day on the changes of the shore line north and south of the Harbour, it now only remains for me, before my departure, to submit to you the result of the personal observations I have made during my stay as to the present state and prospects of the work.

2. One main object of my present visit was to have the opportunity of witnessing the actual progress of the works during the most favorable season. It is only by this means that I am enabled to judge of the efficiency of the organisation in its several parts, and how far the prospects which I have from time to time submitted to the Government are likely to be realised.

3. It is not to be expected that a work of this magnitude can be carried out in strict accordance with a previously prepared specification. To insist upon this would be to discard the advantages of the practical local experience gained as the work progresses. But it is at the same time desirable to keep in view not only the ultimate object of the works, but certain broad features of the means by which that object is to be attained, and not to be hastily led away from these by the apparent advantages offered by some modification which may at the same time introduce evils likely to escape observation in any but a comprehensive review of the whole question.

4. It is in the settlement of such questions as these that the occasional personal communication between the Superin-

tendent as the possessor of the greater amount of local information and experience and myself as the original organiser of the works is important. Unless, however, the result of our conferences be to introduce any important change in the arrangements of the work, they afford little material for special report to the Government.

5. I have only to report therefore that after having made a careful examination of all Departments of the work, I am satisfied that they are all in a fairly efficient state. I do not consider that the full attainable speed of work has ever yet been reached, and probably it never will be maintained for any great length of time, for the several parts of the organisation which have to be brought into work together are more numerous and complicated than is at first sight apparent, and the failure of any one will affect the whole.

6. It is only since my arrival at Madras that one important operation has been brought into full action, viz., the deposit of stone for the rubble base from the steam hopper barges *Salisbury* and *Hobart*, though the latter has been temporarily disabled, and is now under repair. It is satisfactory to find that these vessels are quite equal to the work which was expected of them, although our better acquaintance with the local circumstances has led us to adopt a plan of loading them different from that originally contemplated.

7. As the work advances into deeper water a much larger proportion of rubble stone will be required for a given length of pier, and their full powers will be taxed to keep it supplied; but on the other hand, the shelter afforded by the piers will be more complete and the work therefore more regular. When the water is fairly calm, the vessels lie alongside the face of the concrete blocks easily, and are loaded by coolies carrying stone from the Madras Railway trucks standing on the pier itself.

8. The supply of stone from the Ambatoor quarries on which we must depend for the great bulk of our rubble base is in the hands of the most competent contractor in the neighbourhood on terms which, though not excessive, will give him no excuse for not pushing on the work with energy, and I am bound to say that so far no complaints have been made.

The present rate of supply, however, about 1,120 tons per day, will have to be increased by 30 per cent., but there is a large area of quarry ground as yet untouched.

9. The Madras Railway Company also perform their part of the work in the transport of the stone with fair regularity.

10. The rubble base for the south pier is mainly formed by the deposit from the steam hoppers, but the top has to be levelled by stone carried out by cargo boats, or thrown in from the top of the Titan, or from the pier itself. This stone is more conveniently supplied from Palaveram and brought by the South Indian Railway, but at the present time great complaints are made of the irregularity of the stone trains on this line, and this irregularity has latterly retarded the progress of the south pier by 25 per cent. I hope, however, that the evil is only temporary.

11. This is only an example of the kind of friction which, acting on one part or another of the machine, retards its motion in a way that cannot be calculated on. If there were nothing to do but to set blocks as fast as they can be set, the rate of progress would exceed any anticipations that have been expressed in any quarter. As the natural obstacles caused by sea disturbance and accumulation of sand are surmounted, those due to inevitable imperfections of organisation become more prominent. Some allowance must be made for these to the end of the work, but as it progresses, the weak parts of the organisation will be strengthened, and the rate of progress be less and less retarded.

12. The north pier is now 1,431 feet from the commencement of the block work, and there remains 2,430 feet to complete it. The south pier is 923 feet, and there remains 3,080 feet. Apart from interruptions 200 feet per month is a rate of advance quite attainable, but allowing 150 feet as the average rate for ten months of the year, and entire stoppage for two, it would result that the north pier may be completed in September 1880, and the south in March 1881.

13. There is one suggested possible obstacle to the realisation of this prospect of completion as to which it is desirable that I should offer some remarks. It is said that we have had

no experience of the effect of such a sea as is raised within the actual limits of a cyclone, and that this may turn out to be very destructive. It would be presumptuous to deny that such an event may produce unexpected results, but I think there are circumstances which tend to reduce the limits of uncertainty to within what they would appear to be at first sight. First the difference in the destructive power of a cyclone sea, and that of the propagated swell which we have experienced on more than one occasion, and notably in December last, must not be measured by the difference in the destructive power of the cyclone itself with its furious wind and torrents of rain on shipping and objects on shore, and that of a simple rolling swell in the roads, and a heavy surf on the beach. Wind and rain can have no direct effect on the Harbour piers, however much they may intensify the apparently irresistible fray of a storm.

14. It is certain that the sea disturbance is propagated more quickly, and to a greater distance from the centre of a cyclone than the atmospheric disturbance, and therefore the only conclusion that can be drawn is that the propagated swell has a force more nearly equal to that of the central sea disturbance than is the case in regard to the atmospheric disturbance.

15. Again, it is the experience of all Engineers of marine works in England that the swell preceding or propagated from a storm at some distance is more destructive than the sea raised under the direct influence of wind, and it is a fair inference that the same rule would hold good in India.

16. Further, there is a large margin of stability in the works as carried out with the full depth of foundation 24 feet below mean sea level over any force they have yet had to resist either here or elsewhere. The slight disturbances that have taken place where this depth was not attained confirmed former experience of the value of deep foundations. This and the size of the blocks and the mode of packing them together are elements of strength which do not exist in any of the sea works the damage to which furnishes the most useful lessons.

17. On the whole therefore, while fully admitting that a repetition of one of the great historical cyclones may exhibit results of an unexpected kind, I am bound to contend that such a lesson is required to teach us where we can apply additional strength. So far as the present experience of Engineers goes we are armed at all points. There is one case on record, that of Wick in the North of Scotland, where a mass of masonry 45 feet wide was bodily displaced by the sea, and the sea has in that case so far remained the acknowledged victor. But the case is entirely exceptional, and to take it as a precedent would be to condemn many works of well tested stability. The Madras piers are only 24 feet wide, but the difference of conditions in other respects is more than a balance for the less width.

18. I think this is the only suggested cause of failure in the completion of the works which has not already been negatived by the event. The accumulation of sand over the foundations which was so troublesome at the north pier in 1877 was repeated in 1878 at the south pier, but its entire absence at the north pier in the latter year was a good ground for the anticipation that it would be also only temporary at the south pier. It will, however, be a satisfaction to find that there is no return of the trouble in the approaching monsoon.

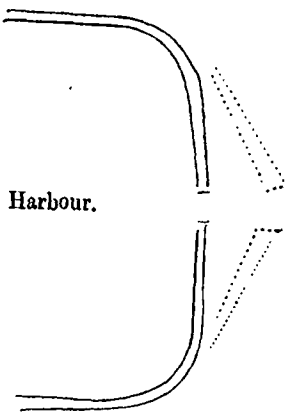
19. The accumulation extended a considerable distance from the pier and had intruded upon the available deep water in November last to the extent of 6 acres beyond the four fathom line of the previous February. More recent soundings show some recovery of depth, and there will probably be more. I expect, however, that some loss of Harbour space must be accepted as permanent, but I have no fear that it will be added to now that the pier has advanced into a greater depth of water.

20. Assuming then that the completion of the Harbour at no distant date is an event that may be anticipated, I would now beg to bring to the notice of Government some questions which will shortly be pressing for settlement.

21. The first of these is the form of the seaward side of the Harbour and the entrance. This is a question which I have always looked upon as desirable to be kept open till near

the time when a final decision was necessary, and in the interim I have availed myself of such opportunities as presented themselves for collecting evidence as to the merits of different forms.

22. The result is that I am rather disposed to favor a change of the design to the form shown in red on the accompanying tracing and by dotted lines in the marginal sketch. The main argument in favor of the originally proposed straight eastern front is that if the present Harbour should be followed by a series of similar basins ranged along the coast, a series of re-entering angles would be formed in which converging waves would be concentrated to an inconvenient extent. On the other hand, the projecting entrance, though more in accordance with precedent and undoubtedly more convenient for the entrance of vessels under sail, did not appear to have so much superiority for steamers.



23. I find, however, that Commanders of steamers would generally prefer the projecting entrance as leading the cross current off from acting on the after part of a long ship while the forepart is in still water, and with little way on her; also it would give a greater space to bring up in without danger of fouling ships at moorings. Captain Taylor, the Master Attendant, prefers this form.

24. Theoretically it is rather inferior to the original line for calming the interior of the Harbour, but I do not think the difference would be appreciable in practice. The future difficulty of the re-entering angles may, I think, be left to be dealt with when it arises, and thus both these points may fairly give way to the immediate nautical advantage of the

modified form. The coast will not be appreciably affected by the change, as the width of entrance is proposed to be increased to 550 feet, so as to compensate for the increased length of the two sides of the triangle.

25. I would therefore beg to recommend this modification for consideration. An immediate final decision is not necessary, if the Government should think it desirable to obtain more nautical evidence upon the question.

26. Another question is even more urgently requiring early action, viz., that of providing fixed moorings for ships in the new Harbour. These will be absolutely necessary before the Harbour can be fairly utilised, because only a very limited number of ships could be accommodated swinging to their own anchors. There is little doubt that in the north-east monsoon of 1880-81, if moorings are laid down under the lee of the north pier, ships may be secured to them. For this purpose they should be fixed in the previous fair season of January and February.

27. I have conferred with Captain Taylor on this subject, and we are agreed upon an arrangement which will, I think, give the maximum of accommodation and security at a minimum cost. He will bring the matter before the Government more suitably than I can, and I have therefore left the nautical part of the question in his hands.

28. With regard to its engineering and financial aspects, however, I may state that the cost will be about £40,000. The exact amount may be affected by such modifications of detail as Captain Taylor may recommend. This is not included in my estimate for the Harbour Works, and it will probably be treated as a distinct financial question, and a charge made on *shipping* to cover the interest on first cost and maintenance independent of the Harbour dues on *cargo* inwards and outwards.

29. But I would venture to raise the question whether the funds may not be considered to be already in the hands of the Government by a reappropriation of the savings already effected on the estimate for the Harbour Works. The Govern-

ment had sanctioned £20,000 over and above my estimate for purposes for which it has not been and never will be required; and a further £20,000 has, as shown in my letter, dated 24th January, been saved upon my estimate on works already completed. Such excess as have occurred on other items are well under the 10 per cent. on actual past expenditure estimated for contingencies, so that if these £40,000 were transferred to the charge for moorings, the Harbour Works expenditure up to the present time would still be within the estimate.

30. The screw moorings, cables, and buoys will have to be procured from England, so that it will be seen that in order to ensure their being laid down this time next year, early action should be taken.

31. In my letter to the Under Secretary of State, dated 18th October 1878, I raised the question of considering the details of the mode in which the Harbour revenue should be raised. My only concern with this as Engineer was to see that any proposals were consistent with the engineering and physical features of the future Harbour. I found on arrival at Madras that the subject was already under the consideration of some leading members of the Chamber of Commerce to whom I gave what information I could relating to my own share of the question. I believe that proposals to Government may be expected as the result of this movement. It may perhaps be as well as to state that I am no party to the proposals themselves, having only assisted in giving them a practical form.

32. I would beg to conclude by stating generally my belief that this important undertaking is now in a state which gives promise of an early and successful accomplishment.

ORDER THEREON, 5th March 1879, No. 657 W.

MR. Parkes in this letter reviews the present state and prospects of the Harbour Works, and brings to the notice of Government the following questions, which will before long require to be settled:—

(1) The form of the seaward side of the Harbour and of the entrance.

(2) The provision of fixed moorings for ships in the new Harbour.

2. His Grace the Governor in Conncil considers that it will be satisfactory to obtain the best professional opinion as to the form of entrance of the Harbour Works, and the Secretary of State will therefore be requested to refer the question to some English Engineer of eminence possessing experience in Harbour Works.

3. The proposed change of form is apparently approved from a nautical point of view by the Master Attendant and by the majority of the Steamer Commanders, whom Mr. Parkes has been able to consult. His Grace in Council resolves to request Captain A. D. Taylor, the Superintendent of Marine Surveys, to favor him with his views on the matter.

4. Copies of these Proceedings will also be furnished to the Directors of the Peninsula and Oriental Steam Navigation Company, and of the British India Steam Navigation Company, through their local agents, with a request that this Government may be favored with an opinion upon the proposed modification in the form of Harbour entrance from such of the Commanders in the service of those Companies as may be possessed of the greatest experience in such matters.

5. The report on the provision of moorings should be expedited by the Master Attendant. It is desirable that no time should be lost in fixing them.

6. The Government note that some further expression of views of the Chamber of Commerce, as regards the details of the mode of raising the Harbour revenues, may be shortly expected.

7. The Government understand that the Consulting Engineer for Railways is in communication with the South Indian Railway authorities with respect to the irregularity in the running of the stone trains noticed in paragraph 10 of Mr. Parkes' report.

J. H. M. SHAW-STEWART, Col., R.E.,
Ag. Secy. to the Govt., P. W. D.

Chamber of Commerce, Madras, 10th March 1879.

To the Chief Secretary to Government,
Fort Saint George.

Sir,—By desire of the Chamber I have the honor to address you in regard to the present position and prospects of the Harbour works.

Judging from the recent rate of progress, and from the expectations which the Chamber understand are held by Mr. Parkes, it may be assumed that the Harbour will be completed by this time in 1881—that is to say that the enclosing walls will have advanced so far as to secure their main purpose, that of providing a basin of still water within which landing and shipping operations can be carried on.

The Chamber understand that Mr. Parkes' scheme is limited to the provision of a basin of still water: it does not contemplate the erection of jetties, wharves, warehouses, goods sheds, or any similar facilities which are required by trade.

The Chamber are not aware what arrangements are contemplated by Government for the internal regulation of the Harbour. They do not know whether Government proposes to provide jetties, wharves, sheds, &c., or whether all such matters are to be left to private enterprise.

It is, however, necessary that the Trade should now be informed on this point. It is presumed that a Port Trust will be created, with power to levy such tolls and dues on shipping and goods as must be imposed for purposes of harbour revenue. If it is intended that this Port Trust shall undertake the erection of jetties, &c., then the Chamber venture to submit that it is very necessary that such a Port Trust should at once be appointed and enter upon its duties, otherwise there will be danger that the subsidiary works will not be completed in time. On the other hand, should it be intended that private enterprise shall provide all that is needful for the convenience of the trade, it is similarly essential that notice to this effect should at once be given, in order that the Trade may, either by combination or at the separate expense of

individual members, provide what is necessary for joint or several interests.

The Chamber venture to hope, therefore, for an early expression of the views and intentions of Government on this important subject.

I am at the same time requested to point out that no definite scheme of dues on shipping and goods appears yet to have been settled. Various suggestions have been made at different times of rates which it would be reasonable to impose, but so far the matter does not appear to have gone beyond the stage of suggestions. It is, however, the Chamber feel, most necessary that the trade should know what burdens it may expect to be laid upon goods both inwards and outwards, as soon as the Harbour is completed. The operations of trade are usually arranged for at a considerable interval in advance, and calculations must be uncertain so long as any possible items of charge remain undecided. Similarly with regard to the shipping interest, it is most desirable that ship owners should know, when planning voyages for their ships, what dues will have to be paid in certain ports after certain dates.

I have therefore to express the hope of the Chamber that the Government will favor its members, at the earliest possible date, with full and detailed information on the points referred to in this letter.

I have, &c.,

P. MACFADYEN,

Chairman.

Chamber of Commerce, Madras, 13th December 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,

Fort St. George.

SIR,—I am desired by the Members of this Chamber to invite your attention to their letter of the 10th March last, in which the Chamber asked for some information of the arrangements that are contemplated by the Government for the

internal regulation of the Harbour. The Chamber would be glad to learn whether the Government have yet come to any decision on this important subject.

I have, &c.,

P. MACPADYEN,
Chairman.

Z.

PORT CLEARANCES.

Proceedings of the Madras Government, Marine Department, dated 11th January 1879.

Read the following papers :—

From J. H. TAYLOR, Esq., Lieutenant, R. N. R., Master Attendant, to the Acting Chief Secretary to Government, dated Madras, 17th December 1878.

With reference to correspondence between this department and the Collector of Sea Customs, I have the honor to solicit the orders of Government on the course to be adopted in granting port clearances for the future.

2. From time immemorial it has been the practice for this Department to grant a conditional certificate to ships' Agents in the enclosed form, to enable them to clear at the Custom-house. The clearance is then sent to the Deputy Master Attendant, who has to satisfy himself that all requirements have been fulfilled by the Commander or Agents before he gives up the document.

3. The Collector of Sea Customs now objects to the continuance of this practice as being contrary to law, and urges that the Deputy Master Attendant should defer granting his certificate till the ship has complied with all formalities. In the present state of the Customs Act, a ship can obtain her clearance as soon as she has landed her cargo for this port as per manifest. So far this is right enough, but then comes a difficulty. She may subsequently lie here a month or more waiting for employment, and men may be sent to hospital or jail, and the Deputy Master Attendant (who is also Shipping

Master) be perfectly ignorant of what has transpired. Men may thus be left behind, or recorded in the Official Log as having deserted, and other irregularities may occur in the interval if the port clearance is not finally vised by the Deputy Master Attendant.

4. In a late instance the barque *Sea Foam* obtained her port clearance at the Custom-house at a time when she was notoriously undermanned, and had it not subsequently been sent to the Deputy Master Attendant, after, but not until, he had brought the irregularity to the notice of the Collector of Sea Customs, the vessel would have left the port at a dangerous season without interference, thus unduly risking life and property. On the action taken by the Deputy Master Attendant, she ultimately shipped a full complement of men.

5. Again, not long since, the S. S. *Rajpootana* left two lascars behind at Negapatam unknown to the Master Attendant of that port, one of whom had just had his leg broken, and the other was kept to attend him in hospital. This could not have occurred if the Marine Department had to deliver the port clearance. The man with the broken leg was not discharged from the ship, nor were his wages left for him, and the other unfortunate was written off as a *deserter*.

6. Great delay, inconvenience, and unnecessary expense to ships in the way of fees is certain to follow if the Collector's views are enforced. In the case of steamers carrying native passengers, it has been customary to hand the port clearance to the Second Assistant Master Attendant to deliver to the Commander after all passengers have been embarked and counted. Under the proposed system steamers will have to wait till the officer deputed by this department has performed his duties, returned on shore, and made his report; only then can the Deputy Master Attendant pronounce the vessel to have complied with all conditions. After this the port clearance will have to be obtained from the Custom-house, which closes at 4 o'clock.

7. I have requested the Collector to allow the old system to remain in force pending this reference; and I would respectfully beg to deprecate any change in the practice which has always worked so well.

8. It may be noted that, under Section 62 of Act VIII of 1878, the port clearance may be granted by the Customs Collector *or other officer* duly authorised to grant the same, who, so far as this section is concerned, may or may not be a customs official. If Sections 63 to 66 are strictly adhered to, the Collector need not wait for the production of any certificate from the Marine Department, but might issue the clearance on his own responsibility. This, however, is impracticable, as it would be manifestly impossible under such a condition of things for the Marine Department to see the rules of the port carried out, or to enforce the various provisions of Act XII of 1875 and other Marine Acts.

9. Looking to the provisions of Section 53 of Act XII of 1875 and 9 of VIII of 1876, it seems an open question whether the Master Attendant is not the officer indicated therein. It is not, however, intended to urge any claims of this office to grant these documents, but simply to point out its obvious duty to continue the surveillance of vessels and their doings, *after* the Custom-house has ceased its connection with them.

10. In the ports of London, Calcutta, and Bombay, port clearance is not granted till a certificate is produced that a pilot has been appointed to take the ship to sea, thus no delay occurs between granting of clearance and departure of the vessel; and possibly the framers of the Customs Act were not aware of the different position in which an open roadstead like Madras is placed in this respect.

11. Additional supervision is now required of this department in connection with the recently introduced regulations regarding Harbour Lights, seaworthiness of ships, load-line marks, &c., and it is essential that the Executive Marine Officer should have the power sought, viz., not to give up the port clearance till all regulations are complied with.

12. I respectfully solicit that early orders may be issued on this reference.

Forwarded for the early remarks of the Collector of Sea Customs.

C. G. MASTER,
Acting Chief Secretary.

MADRAS, 18*th December* 1878.

From R. J. MELVILLE, Esq., Collector of Sea Customs, to the Acting Chief Secretary to Government, dated Madras, 21st December 1878, No. 2,393.

I have the honor to submit the following remarks with reference to the letter of the Master Attendant, Administrative Department, Madras, dated 17th December 1878, No. 9,618, forwarded to me with your endorsement, dated 18th December 1878, No. 2,322.

2. In regard to the grant of port clearance the practice at present observed is the following:—

3. After the forms at the Custom-house have been gone through, the Master or Agent of the vessel produces a conditional certificate from the Deputy Master Attendant in the form forwarded with the letter of the Master Attendant under reference, and the port clearance is then granted by this Office and forwarded to the Master Attendant, who countersigns the same, and delivers it to the Master or Agent of the vessel whenever he thinks proper.

4. The certificate issued by the Master Attendant is, it will be observed, a conditional certificate. It only states that the Captain of the vessel about to clear, "has so far complied with the regulations of the port that his port clearance may be transmitted to this (the Deputy Master Attendant's) Department.

5. This certificate does not show that all the regulations of the Port in regard to the Master Attendant's Department have been complied with as required by law.

Section 53 of Act XII of 1875, and Section 9 of Act VIII of 1876.

6. Under Sections 65 and 158 of Act VIII of 1878, the Collector of Customs is the officer who is vested with the duty of granting the Port Clearance, and in Section 53 of the Port Dues Act XII of 1875 and in Section 9 of the Native Passenger Ships' Act No. VIII of 1876, it is specifically stated that the officer whose duty it is to grant the port clearance, shall not grant such clearance until all fees, charges, fines, penalties, and other expenses incurred, have been paid, and unless the Master holds and produces certificates of the seaworthiness, &c., of the vessel, which are granted by the Master Attendant's Department.

7. These provisions of the law distinctly contemplate that all the regulations of the Master Attendant's Department should be complied with and the same certified to by the Master Attendant before the port clearance, which is the final document, can be granted to a vessel.

8. At present, however, the requirements of the law are not carried out. As already stated, a qualified certificate is issued by the Deputy Master Attendant, and with reference to it, the port clearance is required to be issued and to be forwarded to the Deputy Master Attendant.

9. I pointed out to the Master Attendant that under Sections 65 and 158 of Act VIII of 1878, the port clearance is required to be delivered to the Master or Agent of the vessel direct, and that the law does not permit the grant of a port clearance on the conditional certificate like that at present issued by the Deputy Master Attendant. At the same time, I observed that if a complete certificate, stating that all the regulations of his department had been complied with, were issued by the Deputy Master Attendant, there would be no occasion to forward the port clearance to him or for him to countersign it, which, in any case, is quite unnecessary, and that the Port Clearance could be delivered direct to the Master or Agent of the vessel as required by law. Of course, no Port Clearance can be granted to any vessel by this office until a complete certificate is produced from the Deputy Master Attendant; and it certainly seems more desirable and business-like that all questions relating to lists of crew, &c., should be settled before port clearance is granted instead of leaving the same to be settled after the grant of port clearance. I am unable to see how any inconvenience would be caused by following the course prescribed by law. The Master Attendant's Department would merely do the whole of their work before granting a certificate instead of, as at present, leaving the greater part to be done after the grant of the certificate.

10. With reference to paragraph 3 of the Master Attendant's letter, I may state that I am not aware of any instance in which

a vessel after obtaining port clearance, remained in port a month or more seeking cargo. A ship may remain a month in port seeking cargo, but she does not ask for port clearance until she is about leaving the port, and the Master Attendant is in error in stating that a vessel can obtain port clearance as soon as she has landed her cargo. A certificate is required from the Master Attendant's Department to show that she has complied with the regulations of the Marine Department, and in the case of emigrant vessels a certificate from the Protector of Emigrants is also required. What is now required, and to which objection is taken by the Master Attendant's Department, is that a *complete* and *not a conditional* certificate should be granted.

11. Adverting to paragraph 4, I may remark that I cannot understand how the *Sea Foam* could have obtained the port clearance "*notoriously undermanned.*" I believe that before any vessel can obtain even a conditional certificate from the Master Attendant's Department, the Master is required to file a list of the crew on board. If the Master Attendant's Department in this instance granted a certificate before a crew list was filed in their Office, it is clear that no blame can be attached to this Office. The instance quoted is, in my opinion, only another proof of the advisability of withholding the grant of port clearance till receipt of a certificate from the Master Attendant's Department that all the provisions of the law have been complied with.

12. With reference to paragraph 5 of the Master Attendant's letter, I may remark that if the law in regard to granting port clearance is carried out in its integrity, the unfortunate circumstances detailed in this paragraph could not have occurred. It was entirely owing to the *present practice* to which I have objected, that the *Rajpootana* was enabled to clear from the port of Negapatam leaving two Lascars behind unknown to the Master Attendant's Department.

13. In paragraph 6 the Master Attendant remarks that delay and unnecessary expense to ships would follow if my "views" are enforced. It is not my view, but the provisions of the law that I seek to enforce, and I am unable to see how any delay or expense can be thereby caused.

14. In paragraphs 8 and 9 the Master Attendant states that it is an open question whether, under the terms of Section 53 of Act XII of 1875, Section 9 of Act VIII of 1876, and Section 62 of Act VIII of 1878, the Master Attendant is not the officer to grant the port clearance. A reference to the sections is enough to show that the chief Customs Officer is the officer vested with this duty. The Master Attendant is in error in stating that the Collector of Customs can grant the port clearance as soon as the provisions of Sections 63 to 66 of the Sea Customs Act VIII of 1878, have been complied with, without waiting for the certificate from the Marine Department. The Collector of Customs cannot do so, but must see that the provisions of Section 53 of Act XII of 1875, and Section 9 of Act VIII of 1876 have been complied with, and certificates to that effect are produced from the Marine Department. At present this is not done, by reason of the conditional certificate issued by the Deputy Master Attendant.

15. My suggestion is simply that the officers of the Marine Department should discharge all their duties in respect of a vessel before granting a certificate of any kind, that when they are satisfied that all their requirements have been complied with they should grant a certificate to that effect, on production of which and not otherwise port clearance will be granted.

16. I fail to see how, if this course be followed, the power of the Executive Marine Officer in respect of his surveillance over vessels would be at all lessened.

ORDER THEREON, 11th January 1879, No. 15.

His Grace the Governor in Council is of opinion that strict adherence to the letter of the law is the simplest course, and further, it does not appear that any material delay would occur under the system advocated by the Collector.

2. Should the result prove otherwise, the question can be again submitted with the opinion of the Chamber of Commerce, whom the Master Attendant can consult in the event of the alteration proving prejudicial to business generally.

C. G. MASTER,
Acting Chief Secretary.

Chamber of Commerce, Madras, 12th February 1879.

To the Acting Chief Secretary to Government,
Fort Saint George.

Sir,—The Members of the Chamber have had under their consideration the Proceedings of Government, Marine Department, dated the 11th ultimo, together with the letters from the Master Attendant and the Collector of Sea Customs regarding the present practice of granting port clearances.

The Chamber see no reason to doubt the correctness of Mr. Melville's interpretation of the various Acts which prescribe the powers and duties of the Collector of Sea Customs in the matter of granting port clearances; but at the same time they would remark that in a case like that under discussion, where the main question to be considered is how best to facilitate the course of trade, official instructions should allow of a certain latitude in their interpretation where they are obviously detrimental to the public convenience. The system of granting port clearances described by the Master Attendant has undoubtedly tended to the despatch of business, and has therefore that recommendation in the eyes of the mercantile community. It has not, moreover, as the Chamber understand, proved inconvenient in practice to the officials at the Custom House. There would seem, therefore, to have been no immediate necessity for inaugurating the new system of granting port clearances which forms the subject of the correspondence under notice.

The Chamber are prepared to admit that the system described by the Collector of Sea Customs is more methodic and better calculated to prevent such infringements of the law as are alluded to in the correspondence, though they venture to doubt if its enforcement will, so far as mercantile interests are concerned, be an improvement on the old system.

As a matter of fact the Chamber have already received complaints that great delay is experienced at the present time in clearing coasting steamers under the new regulations.

With the view of preventing such delay in the future, I am desired to suggest that, in the cases of steamers, the Collector of Sea Customs should be directed to have his port clearances

prepared and kept in readiness for delivery immediately on the production of the Master Attendant's certificates; and that in the event of the Master Attendant not being prepared in time with the necessary certificates, he may be authorised to accept a letter of guarantee from the steamer's agents binding themselves to comply with all requisite regulations, on receipt of which port clearance might be granted by the Collector of Sea Customs.

As regards sailing ships, there is not the same necessity for hastening port clearances, and the Chamber see no reason why the regulations of the Collector of Sea Customs should not be enforced in their case.

I have, &c.,

A. MACKENSIE,
Chairman.

No. 371.

Referred to the Master Attendant, Madras, with reference to paragraph 2 of G. O., dated 11th January 1879, No. 15.

C. G. MASTER,
Acting Chief Secretary.

From J. H. TAYLOR, Esq., Lieut., R.N.R., Master Attendant, to the Acting Chief Secretary to Government, dated Madras, 10th September 1879, No. 6,932.

I have the honor to bring to the notice of Government that Messrs. Binny and Co. have raised objections to the mode of granting of the certificate required to be presented to the Collector of Sea Customs to enable vessels to obtain port clearance. I have issued instructions that these certificates are not to be issued till within an hour or so of the vessel's departure, so that they may be *final* and complete as indicated in the ninth paragraph of Mr. Melville's letter, No. 2,393, of 21st December 1878, recorded in Proceedings of Government, Marine Department, No. 15, of 11th January 1879. In the Government Order it is observed that the letter of the law should be carried out.

2. Messrs. Binny and Co., however, point out that their steamers on the coasting lines between Calcutta and Bombay

mostly leave this port on Sundays, and suggest that it was not intended the Government Order should apply to their steamers, but only to sailing vessels and irregular steamers.

3. I may, however, mention that none of the other agencies or firms have yet raised any objection.

4. There are three Sundays on which these coasting steamers have to work, running between Calcutta and Bombay and *vice versa*, and thus Government officials must be in attendance, if not at Madras, elsewhere. It cannot be contemplated that these steamers should be allowed to carry on their ordinary business without some one being in attendance to see that boat rules, port regulations, Indian Ports Act, Merchant Shipping Act of 1854, and the Indian Act I of 1859 are not infringed; that seamen are not left behind in jail, hospital, or otherwise without proper discharge and settlement of wages; that vessels take up proper berths, and that they be moved, if necessary, to give clear berths to previous arrivals.

5. The Chamber of Commerce in the letter of their Chairman, dated 12th February last, herewith returned, suggested that the Collector of Sea Customs should have his port clearance prepared and kept in readiness for delivery immediately on production of the Master Attendant's certificate, and that if this latter is not ready in time, the Collector of Sea Customs may be authorized to accept a letter of guarantee from the steamer's agents binding themselves to comply with all requisites. Messrs. Binny & Co. also offer to give this department a guarantee that all requirements shall be met.

6. If these guarantees were simple responsibilities for the payment of moneys, such a course might be adopted; but the certificate of the Deputy Master Attendant relieves the vessel concerned *finally*, so that a vessel obtaining clearance under guarantee, say, at 4 P. M., may not actually leave till noon the next day. In the meantime disturbances may take place on board during the night, and men may have to be prosecuted and sent to jail; sickness may occur, and men have to be sent to hospital; men may desert, or, being on leave, may be treated as deserters without report being made to the Superintendent, Mercantile Marine; therefore unless the old system of final countersignature

of the port clearance by this department is reverted to, I cannot recommend any alteration of the present arrangement.

From Messrs. BINNY & Co., Agents of the British Indian Steam Navigation Company, to the Acting Chief Secretary to Government, dated Madras, 15th September 1879.

We have the honor to give you enclosed copy of a letter which we addressed a short time ago to the Master Attendant here. As the letter speaks for itself it is not necessary that we should say more than that we trust Government will kindly permit us to clear on Saturdays as hitherto our steamers that sail on Sundays, as the arrangement now in force causes us much inconvenience, and is, in our opinion, scarcely necessary.

From Messrs. BINNY & Co., Agents of the British Indian Steam Navigation Company, to the Master Attendant, Madras, dated Madras, 2nd September 1879.

We have the honor to inform you that on Saturday last when we saw the Acting First Assistant Master Attendant with reference to the clearance of the S. S. *Malda* on that afternoon, he showed us an order prepared by you some time ago, which instructed that the certificate from your office required to be produced at the Custom House before the port clearance is granted should be delivered up to us only two hours previous to the time at which it has been appointed for a steamer to sail. As you are aware, the coasting steamers towards Calcutta sail from here on Sunday as per hand-book, and the steamers towards Bombay mostly sail on the same day, and were the terms of the order enforced, we would in most cases be obliged to clear our steamers on Sunday. We presume the order was intended to apply more to sailing vessels or irregular steamers visiting the port than to steamers of the Company sailing under a general pass. The order has not been enforced so far as Company's vessels are concerned before Saturday last, and as in the case of most steamers arriving here on Saturday, all port rules can be complied with on that day, and as clearing on Sundays would entail much inconvenience to all, we have the honor to request that you will kindly permit us to clear our steamers as heretofore. Should

you require it, we will be prepared to give your department a letter guaranteeing that all requirements will be met.

'Referred to the Master Attendant, Madras, for *early* report.

C. G. MASTER,
Acting Chief Secretary.

ORDER THEREON, 27th September 1879, No. 543.

On consideration of these papers His Grace the Governor in Council sees no reason for modifying paragraph 1 of G. O., dated the 11th January 1879, No. 15, which should be the rule in future, nor does he think that the guarantee suggested by the Chamber of Commerce can be accepted in lieu of the certificate by the Master Attendant with regard to clause (*b*), Section 53, of Act XII of 1875, which is imperative.

2. His Grace in Council also thinks that port clearance should not be given on Saturday for a vessel which is to sail during Sunday. The clearance should be, as its designation implies, a final release, and should only be given immediately before the vessel proceeds to sea. Otherwise liabilities may be incurred or arise after obtaining clearance.

3. Agents of vessels clearing on a Sunday must submit to the same inconvenience that public servants are obliged to do.

4. The Offices of Collector of Sea Customs and Master Attendant are both in the same block of buildings near the pier, and there should be no appreciable delay in getting the required certificates from the Master Attendant, and the port clearance immediately after from the Collector of Sea Customs.

C. G. MASTER,
Acting Chief Secretary.

AA.

RULES OF GENERAL AVERAGE.

THE ASSOCIATION FOR THE REFORM AND CODIFICATION OF THE LAW OF NATIONS.

33, *Chancery Lane, London,* 10*th December* 1878.

To the Secretary Chamber of Commerce,
Madras.

Dear Sir,—By book post I have forwarded to you a circular letter, &c., issued by the Central Committee in regard to General Average losses. Nearly 500 of our leading ship-owning firms have signed the "Assent" Memorandum, agreeing to insert in their Bills of Lading and Charter parties the following clause, viz., "General Average, if any, payable as per York and Antwerp rules;" and we should be glad if the ship-owners and underwriters of your City would follow the example of what is doing in England.

The interest in these international commercial questions has attracted general attention in England and on the Continent, and has induced our President, the Lord Chief Baron (Sir Fitzroy Kelly) to confer with the Lord Mayor of London (Sir Chas. Whetham) as to holding our seventh annual Conference in this City, and finally it has been agreed to hold our next meeting in London under the auspices of the Lord Mayor, probably in July next.

Such being the case, I am directed by the Council of this Association to request of you to express to the President and other members of your Chamber its desire that your City may be represented at that Conference, and also to ask of you to use your powerful influence with the eminent jurists and leading merchants and shipowners of Madras to take part in the movement.

The printed programme of our seventh annual Conference will be forwarded to you in due course.

Pray accept my assurances of a hearty welcome to those who will favour us with their presence.

Believe me, &c.,
H. D. Jencken,
Hon. Gen. Secretary.

CIRCULAR.

October, 1878.

SIR,—By direction of the Council of the "Association for the Reform and Codification of the Law of Nations," and of the "English Central Committee of International General Average," we take the liberty of handing to you herewith a copy of the Report of the Association at its annual Conference held recently at Frankfort, and also of the Report of the Central Committee.

In doing this we desire to call your attention to the important progress made in England as well as in other countries with regard to the practical adoption of the "York and Antwerp Rules of General Average," and to express the hope that (if you have not already done so) you will allow us to add your name to the list of those who have announced their intention to adopt these Rules as the basis of settlement for the future,—that is to say, after the 1st of January next.

If you approve of the proposed change, we shall feel obliged if you will sign, and return to one of us, the form of assent which we enclose herewith.

We are, &c.,

JOHN GLOVER, *Chairman Chamber of the Committee, 22, Great St. Helens, London, E. C.*

H. D. JENCKEN, *Hon. Secretary of the Association, 33, Chancery Lane, London, E. C.*

RICHARD LOWNDES, *Hon. Secretary of the Committee, Liverpool and London Chambers, Liverpool.*

YORK-ANTWERP RULES OF GENERAL AVERAGE.

Report of the English Central Committee.

The opinion that it is not only desirable but practicable to establish a uniform system of General Average for all maritime countries, has been steadily gaining ground since the year 1860.

That uniformity in this matter, if practicable, is desirable, needs no proof. A uniform system would or might be understood by all parties; whereas now, when the average is adjusted abroad, it frequently happens that none of the parties really interested, that is to say neither the shipowner nor the underwriters on ship or cargo, have the least knowledge of the law or custom by which the settlement between them is regulated. A uniform system would in the case of ships calling at ports for orders, do away with the temptation to let the choice of a final port be affected by considerations of the rules of adjusting which may prevail in one country or the other. Were there one uniform system, the General Average could always be adjusted at the cheapest and most convenient place. The consequent saving of incidental expenses, and the

diminution of errors and loss to one party or the other, resulting from imperfect knowledge, would, it is believed, be considerable.

A series of International Conferences having this object in view have been held, attended by Adjusters of the most experience in the several countries, and representatives appointed by the principal Mercantile, Shipowning, and Insurance Associations of America, France, Germany, Holland, Belgium, Denmark, Norway, Russia, England and other countries. These meetings took place, the first year in Glasgow, afterwards in London, and then in York. Then there was a long interval. In 1876, the subject having been taken up by the Association for the Reform of International Law, a meeting was held at Bremen, and this was followed, last year, by a meeting at Antwerp, at which more than sixty representatives of commercial bodies or persons specially conversant with the subject attended and voted.

At these Conferences it very early became apparent that the differences which alone hindered the establishment of uniformity could be reduced to a very few points. The basis of the law in all the countries is the same. It is the ancient and now universal rule of sea-traffic that whatever is sacrificed for the good of all, to avert a common danger, shall be replaced by the contribution of all. There is no reason why the application of this uniform rule to circumstances which are independent of nationality should not itself be uniform. Nothing but the erroneous application of the rule in this or that country, adhered to out of respect for old customs, can account for the differences which exist. Nor has it been found difficult to point out and rectify those errors. The first set of rules, drawn up at Glasgow in 1860, does not greatly differ from the revised rules drawn up at York in 1864; and at Antwerp, after a full discussion, and although many additional rules were proposed and considered, the result was that the York rules were, with slight modifications, re-enacted very much as before. So far, then, as the theory is concerned, it may be said that the basis of a uniform system has been settled.

There still remains the task of obtaining for this system, in this and other countries, the force of law.

For this purpose, Committees have been formed in the several countries, and measures are being adopted, the nature of which must of course vary according to the different political and legislative systems of each country.

In this country, in order that a united course of action should be adopted, a General Conference was resolved upon. At a preliminary meeting held in London early in May, presided over by Mr. George Coyte, Chairman of the Average Adjuster's Association, it was resolved that invitations to the Conference should be issued as follows:—to every Shipowner's and Steamship-owner's Society, Association, or Committee, of the United Kingdom, to send two representatives each; to every Chamber of Commerce of an English port, and likewise those of Manchester, Birmingham, Sheffield, Leeds, and Bradford, to send two representatives each; to every Association of Underwriters, and every Salvage Association of the United Kingdom,

to send two representatives each; to the Adjuster's Association, to send two representatives; to Lloyd's and the London Marine Insurance Companies, to send four representatives each; and to the Association for the Reform of International Law, to send two representatives.

The Conference was held at the Cannon Street Hotel, London, on Thursday, May 30th. It was largely attended by representatives from the above named bodies, consisting of shipowners, merchants, underwriters, and adjusters. Lloyd's, however, and the London Salvage Association and Marine Insurance Companies, were not represented. Sir Travers Twiss, D. C. I., was nominated Chairman, and occupied the chair during the Conference. The following resolutions were proposed and seconded, put to the vote, and carried unanimously:—

1st. That in the opinion of this meeting, it is desirable that the York and Antwerp Rules of General Average be carried into operation.

2nd. That in the opinion of this meeting, the most effectual mode of procedure will be, by a general agreement on the part of shipowners, merchants, and underwriters, to insert in Bills of Lading and Charter-Parties the words "*General Average, if any, payable according to York and Antwerp Rules*"; and in Policies of Insurances to add to the Foreign General Average Clause the words "*or York and Antwerp Rules,*" so that the clause will run thus,—"*General Average payable as per foreign adjustment (or custom), or York and Antwerp Rules, if so made up.*"

3rd. That a definite date should be fixed for the proposed change: and the date recommended by this Conference is the *1st January* 1879.

4th. That, concurrently with these steps, communications shall be opened with Her Majesty's Government, through the Board of Trade or otherwise, in view of ultimate legislation in this and other countries.

5th. That a Central Committee be appointed to carry out the above resolutions in concert with the several Local Committees existing, or which may hereafter be formed, and with the Council of the "Association for the Reform and Codification of the Law of Nations," and to take steps towards raising funds to meet the necessary expenses; this Committee to consist of Messrs.

HENRY JOHN ATKINSON, London.
LAURENCE R. BAILY, Liverpool.
E. H. CAPPER, Cardiff.
JOHN CORRY, Belfast.
ROBERT N. DALE, Liverpool.
JOHN T. DANSON, Liverpool.
JOHN GLOVER, London.
RICHARD LOWNDES, Liverpool.
G. LUCKLEY, Newcastle-on-Tyne.
JAMES PARK, London.
E. E. WENDT, London.
JOHN WILLIAMSON, Liverpool.

With power to add to their number.

At a meeting of the above-named Committee, Mr. John Glover was appointed Chairman, and Mr. Richard Lowndes, Secretary. Mr. P. H. Rathbone (Liverpool), Mr. J. S. Allen (Liverpool), and Mr. H. D. Jencken (London), were added to the Committee.

The changes which the adoption of the York-Antwerp Rules will introduce into the English practice, are the following:—

1. No jettison of cargo laden on a ship's deck will be admitted into General Average.

This is already the general rule here, but wood goods have been admitted as an exception to a certain extent,—that is to say, a jettison of timber or deals from deck is treated as a "general contribution" between those parties

who have expressly agreed to the shipment on deck. This exception it is proposed to abolish.

The result will be, that shippers of cargo on deck will recover a loss by jettison direct from their underwriters, provided the cargo is insured with the clause "id and over all." In like manner, the loss of freight will be recovered direct from the underwriter on freight, if there is such a clause. The clause "in and over all," is at present usually inserted in policies on wood goods and their freight.

2. When a ship is for the common safety taken into a port of refuge, not merely the pilotage and port charges incurred in going into, but likewise those of coming out of such port, will be admitted into general average.

At present, the expense of going in is admitted, whilst the corresponding expense of coming out again is customarily excluded. In this respect, the present English practice differs from that of every other country.

3. When at such port of refuge, it becomes necessary to discharge cargo in order to repair the ship or for other purposes connected with the completion of the voyage, not merely the expense of taking the cargo out of the ship, but likewise the cost of warehousing and putting it back in the ship, will be admitted into general average.

At present the expense of taking it out is so admitted, but the warehouse rent is made a special charge on the cargo, and the cost of reloading a special charge on the freight. In this respect, as in the former, the present English practice differs from that of every other country.

4. The wages and keep of the crew, during the vessel's stay in such port of refuge, will be admitted into General Average.

This is the rule in most other countries. There is no doubt that this item forms a serious part of the loss actually incurred through bearing up for a port of refuge; and in cases where such bearing up has saved the ship and cargo from the risk of total loss, it seems to be contrary to principle, as well as impolitic, to throw this loss on the shipowner.

These are the only changes in English practice. The remainder of the York-Antwerp Rules refer to matters in which the foreign practices are (when these Rules are adopted) to be assimilated to ours.

This Committee recommend that the utmost publicity be given beforehand to the proposed change, particularly that shippers of cargo may understand what is intended, and may have timely warning to arrange for the insertion of the necessary clause in their policies of insurance.

For this purpose it is proposed that those shipowners who intend to avail themselves of the new rules, and those underwriters or representatives of Insurance Companies who are ready to admit the new clause into their policies, should be invited to join in an announcement of their intention, in order that the same may be generally circulated.

THE YORK ANTWERP RULES.

RULE I.—*Jettison of Deck Cargo.*

No jettison of deck cargo shall be made good as General Average.

Every structure not built in with the frame of the vessel shall be considered to be a part of the deck of the vessel. (*Votes at Antwerp*—26 *for*; 10 *against.*)

RULE II.—*Damage by Jettison.*

Damage done to goods or merchandise by water which unavoidably goes down a ship's hatches opened, or other opening made, for the purpose of making a jettison, shall be made good as General Average, in case the loss by jettison is so made good.

Damage done by breakage and chafing, or otherwise from derangement of stowage consequent upon a jettison, shall be made good as General Average, in case the loss by jettison is so made good. (32 *for*; 6 *against.*)

RULE III.—*Extinguishing Fire on Shipboard.*

Damage done to a ship and cargo, or either of them, by water or otherwise, in extinguishing a fire on board the ship, shall be General Average; except that no compensation be made for damage done by water to packages which have been on fire. (36 *for*; 4 *against.*)

RULE IV.—*Cutting away Wreck.*

Loss or damage caused by cutting away the wreck or remains of spars, or of other things which have previously been carried away by sea-peril, shall not be made good as General Average. (*Unanimous.*)

RULE V.—*Voluntary Stranding.*

When a ship is intentionally run on shore because she is sinking or driving on shore or rocks, no damage caused to the ship, the cargo and the freight, or any or either of them, by such intentional running on shore, shall be made good as General Average. (*Unanimous.*)

RULE VI.—*Carrying Press of Sail.*

Damage occasioned to a ship or cargo by carrying a press of sail shall not be made good as General Average. (*Unanimous.*)

RULE VII.—*Port of Refuge Expenses.*

When a ship shall have entered a port of refuge under such circumstances that the expenses of entering the port are admissible as General Average, and when she shall have sailed thence with her original cargo or a part of it, the corresponding expenses of leaving such port shall likewise be admitted as General Average; and whenever the cost of discharging cargo at such port is admissible as General Average, the cost of re-loading and stowing such cargo on board the said ship, together with all storage charges on such cargo, shall likewise be so admitted. (39 *for*; 5 *against.*)

RULE VIII.—*Wages and Maintenance of Crew in Port of Refuge.*

When a ship shall have entered a port of refuge under the circumstances defined in Rule VII., the wages and cost of maintenance of the master and mariners, from the time of entering such port until the ship shall have been made ready to proceed upon her voyage, shall be made good as General Average. (45 *for*; 5 *against.*)

RULE IX.—*Damage to Cargo in Discharging.*

Damage done to cargo by discharging it at a port of refuge shall not be admissible as General Average in case such cargo shall have

been discharged at the place and in the manner customary at that port with ships not in distress. (40 *for*; 3 *against*.)

RULE X.—*Contributory values.*

The contribution to a General Average shall be made upon the actual values of the property at the termination of the adventure, to which shall be added the amount made good as General Average for property sacrificed; deduction being made from the shipowner's freight and passage-money at risk, of such port charges and crew's wages as would not have been incurred had the ship and cargo been totally lost at the date of the General Average act or sacrifice; deduction being also made from the value of the property of all charges incurred in respect thereof subsequently to the arising of the claim to General Average. (*Unanimous.*)

RULE XI.—*Loss of Freight.*

In every case in which a sacrifice of cargo is made good as General Average, the loss of freight (if any) which is caused by such loss of cargo shall likewise be so made good. (*Unanimous.*)

RULE XII.—*Amount to be made good for Cargo.*

The value to be allowed for goods sacrificed shall be that value which the owner would have received if such goods had not been sacrificed. (*Unanimous.*)

JOHN GLOVER, *Chairman*,
RICHARD LOWNDES, *Secretary*.

Chamber of Commerce, Madras, 10th January 1879.

To H. D. JENCKEN, ESQ.,

Honorary Secretary Association for the Reform and Codification of the Laws of Nations, 33, Chancery Lane, London.

SIR,—Messrs. Arbuthnot & Co. of this City have handed to the Chamber your Committee's circular letter covering report of the English Central Committee on the result of the Conferences which have taken place of late years with regard to the general and international adoption of what are known as the York-Antwerp rules of General Average, also a report on the same subject which was submitted by your Association at the Conference held at Frankfort in August last.

The Chamber has consulted on the subject, and I am now desired to inform you that with the exception of a few small native craft, the ships visiting this Port are the property of European or Colonial owners. There is no local shipowning interest, and so far therefore as concerns the adoption of the new rules by Shipmasters, this Chamber cannot help your

Association. In regard to the underwriting interest, the insurance business of Madras is represented by the agencies of various English and Foreign Insurance Offices. Such agencies are worked by various local firms of merchants on instructions sent to them by the head offices. It is therefore with those head offices, a list of which I enclose, that you have to deal for the adoption of the new rules in such Insurance as may be hereafter effected in Madras.

The general opinion of the Chamber, I may mention, appears to be that the new rules are equitable, and their adoption desirable, but with the above explanation you will see that no initial action can be taken by this Chamber.

I have, &c.,
P. MACFADYEN,
Chairman.

Chamber of Commerce, Madras, 10th January 1879.

To H. D. JENCKEN, ESQ.,
Honorary Secretary Association for the Reform and Codification of the Laws of Nations, 33, *Chancery Lane, London.*

SIR,—Messrs. Arbuthnot & Co. have acquainted this Chamber with the particulars of your application to them for assistance in getting up a local Committee to correspond with your Committee on the various subjects which your Association has in view.

The general scheme is understood to be the introduction of uniform practice among civilized nations in matters of mercantile and social importance.

Without undertaking to pledge themselves in any way, the Members of the Chamber will be happy to accept, at all events temporarily until the experiment has had further trial, the position of a Corresponding Committee in Madras, and any topics which you may submit for consideration shall receive due attention.

I shall be happy to receive from time to time copies of the various reports and papers issued by your Association, both for record among the Chamber's minutes, and in sufficient number for distribution among the members.

I write to you separately on the subject of general averages, the papers forwarded by you on which subject have been handed over by Messrs. Arbuthnot & Co., to the Chamber for consideration.

I have, &c.,
P. MACFADYEN,
Chairman.

33, *Chancery Lane, E. C., London, 26th February* 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—Both your favours of the 10th January have been duly received, and I notice that Messrs. Arbuthnot & Co. have handed over to you the papers forwarded regarding General Average. I have to thank you for the information and list of Insurance Companies contained in your letters. I can quite understand the position of a port like Madras in regard to insurance and shipping matters.

The adoption of the York and Antwerp rules for regulating General Average losses is now pretty well assured, and although the Committee of Lloyd's still grumble, the underwriters in the room and the great Insurance Companies in London, such as the "Thames and Mersey" take any number of risks without additional premium, inserting in the Policies issued by them, the York-Antwerp rule clause.

The Council direct me to say that this Association will accept with pleasure your kind offer to correspond with your Chamber on this question; they also desire me to add that if your Chamber of Commerce will depute two of your members to attend our seventh annual Conference to be held on the 11th August next at the Guildhall, under the auspices of the Lord Mayor and the Corporation of the City of London, we shall indeed be glad. Most of the other Colonies have already sent in the names of their delegates.

We hope to forward by next mail a full programme of our London meeting.

Yours truly,
H. D. JENCKEN,
Hon. Gen. Secy.

Chamber of Commerce, Madras, 18th April 1879.

To A. MACKENZIE, Esq.,
London.

DEAR SIR,—I have been requested by the Chamber to send you the accompanying copy of a letter received from the Association for the reform and codification of the laws of nations, in reply to this Chamber's letter of the 10th January last.

The Chamber have suggested that you might like to avail yourself of Mr. Jencken's invitation to attend the annual Conference of the Association to be held at the Guildhall in August next, and if you do, perhaps you will favor the Chamber with a report on any points of interest that may be discussed and decided.

I have, &c.,
P. MACFADYEN,
Chairman.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—With reference to your letter of 18th April 1879, suggesting that I should attend, on behalf of the Chamber, the annual Conference of the Association for the Codification of International Law, I have now the pleasure to report that I duly attended the meetings of the Conference, which were held at the Guildhall, London, during the week 11th/16th August.

The programme of proceedings was as follows:—

Monday, 11th August.—Reports. Appointment of Committees, &c. Inaugural address from the President, Sir Robert Phillimore.

Tuesday, 12th August.—Copyright. Patents. Negotiable Securities. Bills of Exchange.

Wednesday, 13th August.—General Average. Collisions at Sea and Shipping Disasters. Bills of Lading. Law of affreightment. Sea Protests and Ships' Logs. International Conventions for the maintenance of Sea Lights. The operations of the Hanseatic League in England.

Thursday, 14th August.—International Rules of Quarantine. Bankruptcy Laws. Foreign Judgments. Uniform standard of weights and measures. Consular Jurisdiction. Mixed Tribunals of Egypt. Taking evidence for Foreign Tribunals. International Law affecting the Slave Trade.

Friday the 15th August.—Customs and Conventions. War Indemnities. International reduction of Armaments. Uniform Standard of Coinage. Silver Question.

Saturday the 16th August.—Closing Address. Election of Officers for ensuing year.

I took the opportunity during the discussions of remarking upon recent legislation in India on Negotiable Instruments and Bankruptcy laws. In the former instance a Committee was appointed to consider and present a report to the next annual meeting upon the customs and laws of different nations affecting negotiable securities generally; not merely negotiable instruments, such as are dealt with by the Indian Act of 1878; and I would now suggest that the Chamber should forward to the Secretary of the Committee a copy of the Indian Act with the correspondence which passed between Government and the Chamber in 1878.

On the question of Bankruptcy the opinion among those with whom I conversed seemed to be that India is still a long way off the social conditions which permit of a fixed and uniform system of procedure in bankruptcy. That, for example, the peculiar privileges claimed by Government in the collection of land revenue are not compatible with internationally recognized principles of bankruptcy legislation; and it would be difficult to except agriculturists in India from a uniform international system; while again it is not uncommon to find an "Indian" both agriculturist and trader.

The impression I have derived from attendance at the Conference is, that this Association might be of great advantage to the Indian Chambers of Commerce and Trade Associations in their correspondence with Government on Legislation, proposed or enacted. Its main object is to bring International systems into harmony. In India, where the British Government has had practically a clear sheet to work upon, the

tendency has been to legislate for what are supposed to be the wants of the native population, without much regard to the laws of other countries; but it is to be feared that in many instances, as communication expands, such legislation may be found to affect others besides the natives of the country; and not to be in accordance with principles recognised elsewhere, and perfectly compatible with Indian customs and habits. I believe that an association composed of the most eminent English, American, and Continental jurists must inevitably command a respect from our Indian law members which would not always be attached to the recommendations of a "handful of merchants," and I would strongly counsel the Chamber to keep the Association fully advised of all correspondence between itself and the Government on questions of Indian legislation.

I have, &c.,

A. MACKENZIE.

BB.

CHANGES IN THE FORM OF INDIAN BILLS OF LADING.

Chamber of Commerce, Madras, 13th November 1879.

To JOHN CORRY, ESQ.,

Chairman, General Shipowners' Society,
12, *St. Michael's Alley, Cornhill, London, E. C.*

SIR,—We the undersigned European and Native Merchants, Agents, Shippers and Exporters, trading at this port, in bringing to your notice the accompanying correspondence on the subject of the changes proposed by your Society in Indian Bills of Lading, desire to state that we entirely concur in the protest of the Calcutta merchants against the innovations which are contemplated by your Society. We not only consider it our duty to support the Calcutta protest, but we must, on our own account, express our surprise that the Shipowners' Society should have considered it unnecessary to give any inti-

mation of the proposed changes in Bills of Lading to the mercantile community of Madras.

We are, Sir, yours faithfully.

Arbuthnot & Co.	H. de Closet.
Wilson & Co.	Burnet & Co.
Walker & Co.	McDowell & Co.
Albert de Guigne.	F. M. Bowden.
Chartered Mercantile Bank of India, London & China.	Oakes & Co.
	Higginbotham & Co.
Shaw & Winch.	Hughes Bros. & Co.
Dymes & Co.	Garratt Camille & Co.
H. M. Badsha Sahib & Co.	Nicholas & Co.
S. Cojendasawmy Yodear.	pp. Gantz Bros., G. B. Soefeld.
K. S. Habeeb Mahomed.	N. V. Ramamyam & Co.
S. Cojendasawmy.	R. Gopalakistnamah C. & Son.
S. Kistnasawmy & Co.	Azeemoodin Sahib & Co.
King & Co.	P. Ramiah & Co.
V. Calleyanan Chetty.	P. Numberumall Chty. & Co.
Oriental Bank Corporation.	C. Vencataramanujum C. & Co.
Robt. C. Walker.	C. Nummiah Chetty & Son.
Croysdale & Co.	P. Vencatachellum.
Parry & Co.	M. S. & Co.
Binny & Co.	Fox & Co.
National Bank of India (Ld.) .	Alvar Chetty & Co.
T. A. Taylor & Co.	Lewis Milner & Co.
Best & Co.	Laybourn & Co.
For the Agra Bank, F. T. Atkins, Manager.	Spencer & Co.
	P. Orr & Sons.
A. R. Maude & Co.	Simpson & Co.
pp. Thos. & Geo. Short & Co.	Taylor & Co.
Albert Gerdes.	West & Co.

Chamber of Commerce, Calcutta, 3rd September 1879.

To the Secretary, Chamber of Commerce,
Madras.

Sir,—The Committee of the Bengal Chamber of Commerce had their attention directed some time ago to the unusual character of the clauses inserted in bills of lading

issued by steam-ship companies, and the matter has again been brought prominently to their notice by the recent attempt to introduce for sailing ships a new form of bill of lading, which differs materially from the form now in use and of very old standing; and you will observe, from the accompanying papers, that a large number of merchants, who are chiefly engaged in exporting produce from Calcutta, have united in a common protest against the intended innovation.

The Committee of the Chamber direct me to draw your attention to this very important matter, because the clauses embodied in steam-ship bills of lading, and sought to be introduced in bills of lading for sailing vessels, threaten to impair the negotiable nature and intrinsic value of such documents as securities,—securities upon which, by mere endorsement, an immense amount of property, representing vast sums of money, is daily changing hands.

Complaints against the working of these clauses are becoming so frequent, that the Committee consider it their duty, in the first instance, to arouse more general attention to this question, and to prepare the way by an interchange of opinions for the just and impartial protection of the rights and interests of shippers and shipowners alike. To that end they consider it expedient that a representative Committee of the Chambers of Commerce of Great Britain should be convened with the view to revise all existing forms of bills of lading for cargoes shipped both by steamers and sailing vessels; that, to aid them in this important investigation, experienced Admiralty and commercial lawyers should be consulted; and that the banking interest should also be represented in such Committee, seeing that the negotiability of the proposed bills of lading may be seriously affected by the alterations referred to.

Trusting that your Chamber may consider it proper to advocate the movement submitted for your consideration, and to take such measures as may in your judgment be most suitable to attain the object in view.

I have, &c.,

H. W. I. Wood,

Secretary.

Calcutta, 30th August 1879.

To H. W. I. Wood, Esq.,

Secretary, Bengal Chamber of Commerce, Calcutta.

Dear Sir,—With reference to your circular letter of the 15th instant, we, the undersigned, have been requested by the preliminary Committee composed of the members of the firms whose names are attached to the accompanying papers, to hand you herewith a protest against the proposed innovation in bills of lading, signed by 86 firms of merchants, shippers, exporters and bankers; and as the great majority of these firms are also members of the Chamber of Commerce, they think it right and proper that this protest should be forwarded through the Chamber of Commerce to Mr. Corry, Secretary to the London Shipowners' Society, who pro. tem acts also as President of a London Committee that has constituted itself for the consideration of this matter.

As far as we are aware, no Calcutta firm interested in this matter as exporter and shipper has given its consent to such an adoption, and we think the unanimous protest of so many firms, deeply interested in the proposed alteration, will induce the Committee of the Chamber to draw more general attention to this matter in communicating with the various Chambers of Commerce in the East, as well as with those of Great Britain and Ireland, with the view of having the various forms of bills of lading both by steamer and sailing ships reconsidered by a General Committee of merchants, bankers, shipowners, and with the legal assistance of an Admiralty and commercial lawyers.

In the meantime we shall thank you to obtain the sanction of your Committee to send home a telegram to Mr. Corry advising the despatch of this protest, and requesting him to stay further action until all the papers can be laid before the Committee now sitting in London.

Trusting that your Committee will take such prompt and vigorous action as the importance of the subject demands,

We have, &c.,

H. Reinhold,

T. W. Berners,

Robt. Phil. Heilgers.

Calcutta, 26th August 1879.

To JOHN CORRY, ESQ., *Chairman,*

General Shipowners' Society, 12, St. Michael's Alley, Cornhill, London, E. C.

SIR,—We the undersigned merchants, agents, shippers and exporters of goods from this port hereby protest against the innovations proposed by shipowners to be made in the forms of Bills of Lading now in use for sailing ships engaged in our export trade.

The grounds of our objections to the proposed form of Bill of Lading are fully set forth in the accompanying papers; and while we are willing to meet the shipowners in a spirit of perfect fairness, we feel that the one-sided operation of most of the clauses to which we object is so obvious that we cannot in that spirit be called upon to assent to them.

Unless, therefore, the proposed innovations are modified, as suggested in the accompanying papers, we shall decline to accept any altered form of Bill of Lading.

We have charged our home friends to express our disapproval of the action taken by the Shipowners' Society of which we complain.

We are, Sir, yours obediently,

Reinhold & Co.
Ede & Hobson.
Kelly & Co.
Tamvaco & Co.
Ernesthausen & Oesterly.
Anderson, Wright & Co.
Ashburner & Co.
D. J. Ezra.
Cox & Co.
McKewan & Co.
Elias S. Gubboy & Co.
F. W. Heilgers & Co.
Kerr, Tarruck & Co.
Gisborne & Co.
Graham & Co.
David Sassoon & Co.
Simson, Griffiths & Co.
Carritt & Co.
J. D. Maxwell.
John Dickinson & Co.
Ewing & Co.
Andrew Hoyes & Co.
C C Bancroft & Co.
F. Harley & Co.
Got, Bru & Co.
Farnaro Bros.
G. Appel & Co.
Schroeder, Smidt & Co.
Robert & Charriol.
Oldemeyer & Hadenfeldt.
Scallan & Co.
Abendroth & Co.
Graf & Banziger.
Begg, Dunlop & Co.
Rentiers & Co.
R. Macallister & Co.
Lloyd & Co.
Schoene, Kilburn & Co.
Pearce & Baist.
James Duffus.
Huber & Co.
Rushton Bros.
Carlisles, Nephews & Co.
Ullmann, Hirschhorn & Co.
Wm. Haworth & Co.
Petrococchino Bros.

Balmer, Lawrie & Co.
Edmands Bros. & Co.
Ker, Dods & Co.
Williamson Bros & Co.
Barlow & Co.
Octavious Steel & Co.
Shaw, Finlayson & Co.
Williamson, Magor & Co.
Andrew Yule & Co.
Wiseman, Mitchell, Reid & Co.
Kettlewell, Bullen & Co.
Whitney Bros & Co.
W. H. Fitze & Co.
B. Smyth & Co.
Cohn, Bros & Fuchs.
Mackenzie, Lyall & Co.
King, Hamilton & Co.
A. Leroy & Co.
Wm. Moran & Co.
J. Mackillican & Co.
Macknight, Anderson & Co.
Ralli & Mavrojani.
Agelasto & Co.
Paul, Tambaci & Co.
C. H. Ogbourne.
Acerboni & Co.
G. M. Struthers & Co.
Oriental Bank Corporation.
J. Thomas & Co.
Howe, Goodwin & Cole.
Grindlay & Co.
Fredrick T. Brooks & Co.
A. R. McIntosh & Co.
S. H. Robinson.
Comptoir d'Escompte de Paris.
Lyall, Rennie & Co.
Chartered Bank of India, Australia and China.
Delhi & London Bank, Ld.
National Bank of India, Ld.
Staunton & Co.

For Private Circulation.

PROPOSED NEW BILL OF LADING FOR SAILING SHIPPS IN THE EASTERN TRADE, HOMEWARDS.

Calcutta, 26th August 1879.

GENTLEMEN,—We beg to call your attention to a circular letter dated London, the 23rd of June (a copy of which is appended hereto) from John Corry, Esq., Chairman of the General Shipowners' Society, London, conveying the intention of the Association to adopt a new form of Bill of Lading for sailing ships in the Eastern Trade, Homewards, and further intimating that the same has met with the approval of the principal merchants and shipowners engaged in the Calcutta trade.

The undermentioned firms having specially interested themselves in discussing the proposed innovation, are unanimously of opinion, that the document in its altered form would prove unjust to shippers by releasing shipowners from all and every legitimate responsibility.

A preliminary protest was, in consequence, drawn up, of which a copy is also annexed for your information, and was mailed to Mr. Corry on the 29th ultimo.

Subsequently, the Bill of Lading in question was submitted to Messrs. Sanderson & Co., and their opinion *in extenso*, herewith, we venture to think, requires no further comment.

We need hardly point out the grave nature of the issues involved in this matter, because the negociability, if not the actual value, of the Bill of Lading as a security must become seriously affected, if the proposed alterations are adopted ; to prevent which, we trust both the banking and commercial communities will unanimously support the protest we intend to circulate for signatures.

Remaining, Gentlemen,

Your obedient Servants,

ANDERSON WRIGHT & CO.
ASHBURNER & CO.
EDE & HOBSON.
ERNSTHAUSEN & OESTERLEY.
F. W. HEILGERS & CO.
KELLY & CO.
REINHOLD & CO.
TAMVACO & CO.

General Shipowners' Society, 12, St. Michael's Alley, Cornhill, London, 23rd June 1879.

DEAR SIRS,—A Bill of Lading for sailing ships in the Eastern Trade, Homewards, having been prepared under the auspices of the General Shipowners' Society of London, a conference of the principal merchants and shipowners engaged in the Calcutta trade was held at the Cannon Street Hotel on Tuesday the 17th June, for the purpose of discussing the terms of this document, which had been previously submitted for their consideration.

The whole of the Bill of Lading was approved with the exception of one clause which was entrusted to a sub-committee of four gentlemen (Mr. Ralli and Mr. Blackwood as merchants, Mr. Corry and Mr. Duncan as shipowners) for amendment, they having power to take such legal guidance as they thought fit.

This amended Bill of Lading is herewith forwarded to you, as well as a copy for your friends in Calcutta, a wish having been very generally expressed that the representative houses in Calcutta of the members of the conference should have an opportunity of giving their opinions upon it before the conference again met (probably early in September) for the purpose of fixing a date when the approved Bill of Lading should come into use.

Will you be pleased to favor me with the views of your Calcutta friends not later than 1st September next.

I am, yours very truly,

JOHN CORRY,
Chairman of Conference.

EASTERN TRADE SAILING SHIP BILL OF LADING HOMEWARDS.

Shipped in good order and condition by
on board the Ship
whereof is Master for this present
voyage lying in the Port of
and bound for
being marked and numbered as per margin
(if quality marks are used they are to be of the same size as the leading marks and contiguous thereto), and to be delivered, subject to the exceptions and conditions hereinafter mentioned, in the like good order and condition from the ship's tackles, where the ship's responsibility shall cease, at the aforesaid port of
or so near thereto as she may safely get; unto
or to his or their Assigns. Freight to be paid for the said goods at the rate of
Average as accustomed.

The following are the exceptions and conditions above referred to:

Weight, measure, quality, contents, and value unknown.

The Act of God; the Queen's Enemies; pirates; robbers by land or sea; restraint of princes, rulers or people; loss or damage from explosion, heat or fire on board, in hulk or craft, or on shore; jettison; barratry; any act, neglect, or default whatsoever, of Pilots, Master, or Crew in the navigation of the ship; and all and every the dangers and accidents of the seas and rivers, and of navigation of whatever nature or kind excepted.

The ship is not liable for insufficient packing, or reasonable wear and tear of packages (cutting excepted); for inaccuracies, obliteration, or absence of marks, or counter marks, numbers, address, or description of goods shipped; leakage, breakage; sweat; rust; decay. Fines and expenses; and losses by detention of ship or cargo, caused by incorrect marking, or by incomplete or incorrect description of contents or weight, or of any other particulars required by the authorities at the port of discharge, upon either the packages, or Bills of Lading, shall be borne by the owners of the goods.

The owners of this ship will not be accountable for gold, silver, bullion, specie, jewellery, precious stones, silk goods, quinine, or precious metals, or beyond the amount of one hundred Pounds for any one package, or relating for any portion therefore, unless shipment be made upon a special shipping order, containing a declaration of the value, and the bills of lading are signed in accordance therewith.

If medicinal fluids, or any other goods of an inflammable, damaging, or dangerous nature are shipped without being previously declared and arranged for, they are liable, upon discovery, to be thrown overboard, and the loss will fall upon the shippers or owners of such fluids or goods, as well as any damage caused to the ship or other cargo on board of her.

In case of the blockade or interdict of the port of discharge, or if the entering of or discharging in the port shall be considered by the master unsafe by reason of war or disturbances, the master may land the goods at the nearest safe and convenient port, at the expense and risk

of the owners of the goods; and the ship's responsibility shall cease when the goods are so discharged into proper and safe keeping, the master giving immediate notice of the same to the consignees of the goods, so far as they can be ascertained.

The master or agent shall have a lien on the goods for payments made, unpaid freights, or liabilities incurred in respect of any charges stipulated herein to be borne by the owners of the goods.

In the event of claim for short delivery, price to be the market price of the day at port of discharge on the day of the ship's reporting at the Custom House, less charges and brokerage.

IN WITNESS whereof, the Master or Agent of the said Ship has signed Bills of Lading, exclusive of the Master's copy, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated at——————————18 .

Calcutta, 28th July 1879.

TO JOHN CORRY, ESQ.,

General Shipowners' Society, 12, St. Michael's Alley, Cornhill, London.

DEAR SIR,—We, the undersigned firms, herewith collectively acknowledge the receipt of your circular letter dated London, the 23rd of June, informing us of the intention of the General Shipowners' Society, to adopt a new Bill of Lading for sailing ships in the Eastern Trade Homewards, a copy of which you enclosed in your letter, with the intimation that it had been approved by the principal merchants and shipowners engaged in the Calcutta trade. At present we have only had time to hold one meeting, at which the unanimous views expressed were entirely opposed to the form of document you submitted for our opinion, and we shall esteem it a favor, under these circumstances, if you will postpone the intended sitting of the Conference in September next, until such time as we may be able thoroughly to discuss the terms of this intended innovation, and place before you the view of the commercial community in general on the subject, detailing the objections that already present themselves to the signatories, and such amendments as may appear to us equitable in the interests of both shipowners and merchants.

We remain, Dear Sir,

Yours obediently,

ANDERSON, WRIGHT & CO.
ASHBURNER & CO.
EDE & HOBSON.
ERNSTHAUSEN & OESTERLEY.
F. W. HEILGERS & CO.
KELLY & CO.
REINHOLD & CO.
TAMVACO & CO.

OPINION *of Messrs.* SANDERSON & *Co., Government Solicitors, with reference to the New Form of Bill of Lading sought to be introduced by Owners of Sailing Ships.*

Having had laid before us the new form of Bill of Lading which it is proposed by the owners of sailing ships to insist on shippers of goods from this port accepting in respect of their shipments, we have very carefully analysed and considered its provisions.

We have also had the advantage of a consultation with a Committee of merchants interested in the subject.

The alterations sought to be made by the exceptions and conditions which it is proposed to insert in the new form of Bill of Lading are of material and vital importance to the interest of shippers, and, before proceeding to consider them in detail, their general scope and effect may be shortly pointed out to be as follows, *viz.*:—

The old form of Bills of Lading exempted the ship from liability in respect *only of distinctly insurable risks*, the occurring of which was easy of proof, and for such matters, as the guaranteeing of the nature of the weight and contents of closed packages.

The new form of Bill of Lading, however, would practically exempt the ship from claims of any sort, for although it is not sought by the new exceptions and conditions to exempt the ship from liability arising from act of negligence of the master, crews or pilot of ships (except where such negligence occurs in the management and navigation of the ship), and therefore it would be open to a shipper under the new form of Bill of Lading or his consignee to claim and recover for damages where it would be proved that such damage had been caused by negligent stowage of goods or other similar neglect; yet it is obvious from the nature of things that the difficulty of proving negligence in the vast majority of cases, would be an insurmountable obstacle to success in any proceeding under the Bill of Lading framed in accordance with the new form.

It is not alleged, so far as we can see, that the old form of Bill of Lading has not worked perfectly well, or that shipowners, by its terms, are subjected to undue risks; but it is sought so to frame the contract between the shipowners and shipper as to virtually exclude all responsibility from attaching to the former, leaving the latter to bear, in addition to the ordinary risks of the voyage against which he may insure if he pleases, a number of other risks against which it will be impossible to obtain indemnity under any ordinary contract of insurance, and to guard against the happening of which the shipper is powerless.

In this state of matters it behoves those interested in the shipment of cargo from this port,—unless they are prepared to deliver themselves over to the shipowners bound hand and foot—to make a stand against the unreasonable contract which it is sought to impose on them; and while conceding such exceptions as are necessary to relieve the shipowners from risks which they cannot be fairly asked to undertake, to insist on not relieving the shipowners from the

responsibility of taking proper and reasonable care of the valuable property entrusted to them.

With these preliminary observations, we purpose analysing the new form of Bill of Lading, and pointing out briefly in detail the clauses which, in our opinion, are objectionable, and our reasons for this opinion.

For convenience we have divided the new clauses in the Bill of Lading and numbered them chronologically, and opposite to each we have made such observations as we have to offer regarding such special clause.

1. This stipulation is, we submit, wholly out of place in a Bill of Lading, prior to the signing of which the goods mentioned in it must necessarily have been shipped; quality marks or numbers are of great importance to shippers of jute and cotton, and it is of great consequence therefore that there should be no dispute about them. It is, we understand, the practice of shippers of goods bearing quality marks and numbers at this port, to insert in the boat-note sent with the goods a clause requiring the receiving officer to sign receipts specifying the quality marks and numbers of goods. It is easy enough for the ship's officers, if they have any reasonable objection to the size, position or a distinctness of the quality marks or numbers, to take objection when the goods are sent alongside, and if such an objection is well founded, to refuse to sign a receipt for quality marks or numbers, in which case the shipper would have it in his power, by calling a survey, to show that the objection was unreasonable, if it was so in fact, or to accept receipt in a modified form, or to altogether withdraw the goods if the objection was well founded; but it seems to us highly unreasonable for the master of a ship, after his officers have given a receipt for goods bearing quality marks or numbers, specifying such marks or numbers, to insert in his Bill of Lading a clause which would leave a loop-hole for the contention that the quality marks or numbers were, for some reason or other, such as he is entitled to disregard.

(If quality marks are used they are to be of the same size as the leading marks and contiguous thereto.)

2. It may not be an unreasonable stipulation, that the responsibility of the ship shall cease when the goods leave the ship's tackles, but it must be borne in mind that the goods have to be delivered to the consignee, who should therefore have a reasonable opportunity for taking delivery of them before they are put out of the ship; but no stipulation of this sort is contained in the Bill of Lading now before us, and it would be more reasonable, and avoid confusion, if this clause were expunged and there were substituted for it the words "as customary."

From the ship's tackles where the ship's responsibility shall cease.

3. This is, with the exception of the word measure, an old clause, and it is a reasonable one to which no objection can fairly be raised.

Weight, measure, quality, and contents unknown.

4. This is also an old, well-known, and usual clause, and unobjectionable.

The act of God, Queen's enemies, pirates, robbers by land or sea, restraint of princes, rulers or people.

Loss or damage from explosion, heat, or fire on board, in hulk or craft, or on shore.

5. With the exception of the word *heat*, this clause is not objectionable. As regards the word heat, we are of opinion that its insertion in the exceptions would, as it seems to us, be apt to make owners careless in the ventilation of the holds of their vessels. It would be always in the power of the master of the ship, in the event of the ventilation of his vessel's hold being interfered with by stress of weather to show this, and any consequence of heat, the necessary result of the interruption of ventilation in that way, would be within the general exception against perils of the seas and navigation, but there should not, under ordinary circumstances, if the cargo is well stowed and the hold properly ventilated, be sufficient heat to cause damage to cargo.

Jettison.

6. Jettisoning of cargo, where proper, is a peril of the sea, and comes within the general exception; where improper, the shipowner ought certainly not to be protected against it. The selection of their officers rests with them, and the shippers have no control over their appointment, and should not be made to bear the consequences of their inefficiency or misconduct.

Barratry, any act, neglect or default whatsoever of Pilot, Master, or Crew in the management or Navigation of the ship.

7. The objections mentioned under No. 6 apply with increased force to this clause and need not be recapitulated: as to Barratry, the exception as to this should on no account be allowed to stand.

All, and every, the dangers and accidents of the seas and rivers, and of navigation, of whatever nature or kind, are excepted.

8. This is a fair enough general clause and refers to risks which would be covered by an ordinary Marine Policy.

The ship is not liable for insufficient packing, or reasonable wear and tear of packages (cutting excepted).

9. According to the practice obtaining in shipping cargo in this port, as already pointed out, the boat notes sent alongside with the cargo, contain a clause by which the officers of the ship are requested not to receive any packages which are not in good order; and if, as they are bound to do, they act in accordance with such clause, it is obvious that the owner cannot reasonably stipulate against liability for the insufficiency of a package: he is bound not to receive an insufficient package. The insertion of such a clause opens a door to great injury to a shipper of goods at the hands of an unprincipled master, as supposing that the Bill of Lading contains such a clause as the one under consideration, nothing would be simpler than for a master in want of broken stowage, to start the lashings of a number of jute bales for the purpose of filling up corners. It would be perfectly easy to do this and attribute the bursting of the bales to insufficient packing, and it would be absolutely impossible for the shipper to protect himself in such a case. A clause exempting the shipowner from liability for reasonable wear and tear of packages could not be objected to, provided the following words were added: "provided such damage is not occasioned by cutting or chafage."

10. This clause is an unreasonable one and should not be allowed. The clause as to inaccuracies, absence of marks, &c., would be inconsistent with the written descriptions of the goods specifying the marks in the margin of the Bill of Lading, and having regard to the terms of the clause in the boat notes used by shippers as to marks; such stipulations are inadmissible. If the goods are not properly marked as indicated in the boat note, they should not be received and signed for, but if they are so received and signed for, it would, as it seems to us, be highly unreasonable to permit the shipowner to insert in his Bill of Lading an exception wholly repugnant to the terms of the mate's receipts, and which, if allowed, would only give rise to disputes. With regard to the exception as to obliteration of marks, this would (except in case of damage which would come within the general exceptions of the Bill of Lading) only arise if reasonable care were not used, and such reasonable care a shipper is entitled to require at the hands of a shipowner.

For inaccuracies, obliteration, or absence of marks, or counter-marks, numbers, address, or description of goods shipped.

11. Of the grounds of damage mentioned in this clause, *sweat* and *rust* appear to us to be unusual, and, in our opinion, inadmissable. Sweat, we understand, is intended to provide against the consequences which would ensue from an unduly heated and ill-ventilated hold: with this we have already dealt in our remarks on clause 5, and for the reasons there given, we cannot advise this exception being conceded. As regards rust, we think that as the only means by which rust could ordinarily be caused to goods in the hold of a ship, (otherwise than by water damage) is by omitting to apply red lead to the iron knees of the ship, the exception should not be allowed, as it would be holding out a premium to shipowners to omit to take proper precautions to preserve the cargo entrusted to them.

Leakage, breakage, sweat, rust, decay.

12. This is, so far as we can see, wholly inapplicable to sailing ships carrying cargo from this port. We are not aware, nor have we been able to gather, that in respect of such goods as are shipped from here, any penalty is levied in respect of incorrect marking or defective description of goods. Goods shipped from Calcutta are, generally speaking, well-defined and known articles of produce and easy of description, any incorrectness in the description of which could be easily detected by the ship's officers, except perhaps in the case of deliberate fraud. And supposing such a case to occur, the shipowners would be amply protected by their right of action which the law gives them, to recover damages for any fraud which might be practised on them; as to incorrect marking, as we have already pointed out, it is the duty of the officers of the ship to see that the marks on the goods are in

Fines and expenses, and losses by detention of ship or cargo, caused by incorrect marking, or by incomplete or incorrect description of contents or weights, or any other particulars required by the authorities at the port of discharge, upon either the packages or the Bill of Lading, shall be borne by the owners of the goods.

accordance with the boat-notes, and if any deception is practised,—such as the mark on one class of goods being put on goods of another class,—the shipowner has his remedy without such a clause as that under consideration.

The owners of this ship will not be accountable for gold, silver, bullion and specie, jewellery, precious stones, silk goods, quinine, or precious metals, or beyond the amount of one hundred pounds for any one package, or relatively for any portion thereof unless shipment be made on a special shipping order containing a declaration of value, and the Bills of Lading are signed in accordance therewith.

13. This is a clause which is not likely to effect shippers from this port very seriously, it not being the practice to ship goods of the description enumerated by sailing ships; nor is it often, we take it, that merchants ship from Calcutta one package valued at more than £100; this clause may therefore be allowed to stand.

If medicinal fluids, or any other goods of an inflammable, damaging, or dangerous nature are shipped without being previously declared and arranged for, they are liable, upon discovery, to be thrown overboard, and the loss will fall upon the shippers of such fluid or goods, as well as any damage caused to the ship, or the cargo on board of her.

14. This clause is not an unreasonable one, but it would more properly find a place in the contract of affreightment than in a Bill of Lading.

In case of the blockade or interdict of the port of discharge, or of the entering of or discharging in, the port shall be deemed by the master unsafe by reason of war or disturbance, the master may land the goods at the nearest safe port at the expense and risk of the owner of the goods, and the ship's responsibility shall cease when the goods are so discharged into proper safe keeping, the master giving immediate notice of the same to the consignees of the goods so far as they can be ascertained.

15. This clause is quite unusual, and might put it in the power of a timid ship master, to put the owners of goods to heavy expense without real cause. It would probably not be unreasonable for the shipowners to stipulate for the power of discharging goods in this way, if care were taken that the policy taken out on the goods would suffice to cover it; but it would be unreasonable to stipulate that the landing stipulated for in this clause, should be at the risk and expense of the owner of the goods: the clause may, we think, stand, the following portion of it being omitted, *viz*:—"at the expense and risk of the owners of the goods, and the ship's responsibility shall cease when the goods are so discharged into proper and safe keeping."

16. So far as the lien is in respect of unpaid freight, it is unobjectionable, or merely an express stipulation for that which is a legal incident to the contract of affreightment; as to the other matters they are, having regard to the fact that we have advised the clauses under which only the liabilities in question could arise being objected to inapplicable. Another very serious objection to this clause is, that it would probably affect the *negotiability* of Bills of Lading containing it.

The master or agent shall have a lien on the goods for payments made, unpaid freights, or liabilities incurred in respect of any charges stipulated herein to be borne by the owners of the goods

17. This clause is a reasonable one and seems unobjectionable.

In the event of claim for short delivery, price to be the market price of the day at the port of discharge on the day of the ship reporting at the Custom House, less discharges and brokerage.

,,

CC.

INSPECTION OF CARGO BOATS.

Madras, 22nd January 1879.

To the Secretary Chamber of Commerce,
Madras.

Sir,—We take leave to bring under the notice of the Chamber some facts with reference to the landing of cargo at this port, and also some remedies which we think would meet the object we have in view, and to ask the members for an expression of opinion on these proposals. If others to the same end can be suggested, we shall be prepared to give them our most hearty support, for it is high time that something be done, if not to check entirely, at least to minimise the damage which it is notorious goods receive in transit from the ship to the shore. We have no wish to lay upon the landing Dubashes blame which rests upon the ship; but on the other hand we apprehend we are not asking anything unreasonable when we propose that they should pay for whatever is caused by them. In the event of the members agreeing with our suggestions, we would recommend that joint actions be taken by those who are interested in the landing of goods, not only in bringing the matter before the proper authorities but in

seeing that the alterations are carried out. The facts and suggestions are annexed, and

We are, &c.,

GORDON, WOODROFFE AND CO.

LANDING OF GOODS.

Sea water damage is caused—

1st. By want of dunnage in Masulah boats which usually land cargo on the beach.

2nd. By leakage in cargo boats which discharge at the Pier.

3rd. By cargo being deposited on the beach by the boatmen so near the surf that the water surrounds it before it can be removed by the Custom House Cooly Maistry's men.

Remedies proposed.

1st. That landing Dubashes should be held responsible for all sea-water damage (which can be shown to have been recently done, and not to be the result of ship damage) to goods landed on the beach when they might have been landed at the Pier.

2nd. That the Marine Police peons be instructed to report all boats not carrying sufficient dunnage before they leave the beach.

3rd. That license to ply should be suspended in the case of any boat so reported.

4th. That the Beach Conicopillays be instructed to report to the boat peons any cases in which goods are deposited by the boatmen below a safe surf limit, and that the Police peons be instructed to lodge such reports, together with the number of the boat, with the head of their department.

5th. That the Master Attendant be memorialised to appoint an Inspector of boats, whose duty it would be to examine daily the cargo boats coming to the Pier and the Masulah boats to the beach, with a view to prevent any of the former from plying in a leaky condition and the latter without sufficient dunnage.

G. W. & Co.

Chamber of Commerce, Madras, 12th February 1879.

TO THE MASTER ATTENDANT,

Madras.

SIR,—The Chamber have received several complaints of late that goods have been damaged to an unusual extent in the process of landing. No particulars of the instances of damaged goods have been furnished to the Chamber, but it is believed that the injury was occasioned chiefly through cargo

boats not being properly dunnaged. I have been desired therefore to bring the subject to your notice, in the hope that you may be able to adopt measures that will lessen the evil complained of.

I have, &c.,
P. MACFADYEN,
Chairman.

Marine Office, Madras, 17th February 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter of the 12th February 1879, I have the honor to inform you that a constant inspection of the dunnage of cargo boats is kept up, and consequently I believe that the damage to goods cannot be owing to any deficiency in that respect; but I shall be glad if you will advise the parties concerned, on their finding any boat improperly damaged, to bring the circumstance *at once* to the notice of the Deputy Master Attendant, in order that the owner may be prosecuted under the Boat Act. I am, however, inclined to think that the damage to goods is caused from their getting wet by not being moved sufficiently high up on the beach, when they are landed. I would suggest that the pier be more freely utilized if damage to cargo is desired to be avoided. It is a common every-day occurrence to see goods in the water left untouched for hours.

I have, &c.,
J. H. TAYLOR,
Master Attendant.

Chamber of Commerce, Madras, 16th April 1879.

TO THE MASTER ATTENDANT,
Madras.

SIR,—With reference to the opinion expressed by you in your letter of the 17th February that the damage to cargo in landing goods cannot be so much owing to deficiency of dunnage, as to careless landing, by the boats not being moved

sufficiently high up on the beach, the Chamber have desired me to suggest that it might tend to check the evils of which they have so frequently had to complain, if the Marine Police were instructed to report to your department all cases in which there may be an insufficiency of dunnage, or any carelessness, such as that described by you, in the landing of goods on the beach. It is possible that a more effective control could be exercised over the boatmen, if they were given to understand that it was the business of the Police not only to look after the safety of cargo, but to report to your department the condition of the boats, or any misconduct or carelessness of the boatmen in the landing of cargo.

I have, &c.,

P. MACFADYEN,
Chairman.

Marine Office, Madras, 30th April 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—Referring to your letter of 16th instant, I have the honor to inform you that two employés of this Department inspect the boats every morning to see that dunnage is sufficiently provided, and I cannot think damage to cargo is caused by want of dunnage, but rather by carelessness of the boatmen in discharging it below high water mark; in fact, I have seen bales of piece goods actually lying so far down on the beach, especially towards evening, that the surf has rolled right over them.

2. I think the dunnage inspection is quite sufficient, but I am forwarding your letter on to the Commissioner of Police, with the request that he will issue instructions to the Marine Police to report all cases in which cargo is not carried up on the beach out of reach of the sea.

3. Should any specific case be brought to the notice of this Department of insufficient dunnage being provided, immediate action will be taken and the license of the boat suspended.

4. In conclusion I may mention that though these complaints of insufficient dunnage are continually cropping up in a general form, no case has ever been brought to notice and proved.

I have, &c.,

J. H. TAYLOR,
Master Attendant.

Chamber of Commerce, Madras, 30th June 1879.

TO THE MASTER ATTENDANT,
Madras.

SIR,—The Chamber have desired me to thank you for the measures you have adopted for a more frequent inspection of boats, and for the better protection of cargo while it is being landed on the beach. The Chamber do not doubt that if the arrangements referred to in your letter of the 30th April are strictly carried out, there will be fewer complaints received of damage caused to cargo either by carelessness in landing, or through the cargo boats being insufficiently dunnaged.

I have, &c.,

P. MACFADYEN,
Chairman.

DD.

CUSTOM HOUSE ACCOMMODATION.

Chamber of Commerce, Madras, 16th November 1878.

TO THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—I have the honor to forward herewith copy of a letter that has been addressed to the Chamber by a considerable number of Native merchants in Madras on the subject of the accommodation provided by the Custom House for such imported goods as iron, pitch, tar, kerosine, &c., and complaining of the rule by which they are compelled to remove iron within four days from the Custom House.

The Chamber are disposed to support the opinion of the Native merchants that this rule may be modified with advantage to importers generally, and they would accordingly suggest that the period allowed for the removal of goods should be extended to 14 days.

I have, &c.,

A. MACKENZIE,

Chairman.

Sea Customs Collector's Office, Madras, 19th November 1878.

TO THE CHAIRMAN CHAMBER OF COMMERCE,

Madras.

SIR,—In acknowledging the receipt of your letter dated 16th November 1878, I have the honor to inform you that till recently a rent-free period of 7 days was allowed for all goods, including iron. The period was reduced to 4 days after correspondence with Calcutta and Bombay, and under the orders of the Board of Revenue and Government, with a view to expedite the clearance of goods.

I have, &c.

R. J. MELVILLE,

Collector of Sea Customs.

Chamber of Commerce, Madras, 4th December 1878.

TO THE COLLECTOR OF SEA CUSTOMS,

Madras.

SIR,—In reply to your letter of the 19th ultimo, the Chamber desire me to solicit that the proposition contained in their letter of the 16th idem, for the extension of the period for landing goods at the Custom House from 4 to 14 days, may be submitted for the consideration of the Board of Revenue. The Chamber venture to hope that you will be able to support their application.

I have, &c.,

A. MACKENZIE,

Chairman.

Sea Customs Collector's Office, Madras, 18th January 1879.

To the Chairman Chamber of Commerce,
Madras.

Sir,—With reference to your letter dated 4th December 1878, I have the honor to inform you that the proposal therein made by you was submitted for the consideration of the Board of Revenue. In their proceedings dated 16th January 1879, No. 105, the Board state that they are not prepared to recommend any extension of the rent-free period, and direct me to inform you that it was found necessary to curtail the rent-free period in consequence of the Custom House yards becoming choked with goods, owing to the development of traffic subsequent to the opening of the Suez Canal.

I have, &c.

R. J. Melville,
Collector of Sea Customs.

Chamber of Commerce, Madras, 12th February 1879.

To the Collector of Sea Customs,
Madras.

Sir,—The Chamber regret to observe from your letter of the 18th ultimo, that the Board of Revenue have declined to extend the rent-free period for the accommodation of goods in the Custom House. The Board, it appears, have refused to accede to the Chamber's suggestion, on the ground that "it was found necessary to curtail the rent-free period in consequence of the Custom House yards becoming choked with goods owing to the development of traffic subsequent to the opening of the Suez Canal."

The Chamber think that it has escaped the notice of the Board that the subject under discussion is not general goods which would encumber the Custom House yards, but *Iron*, for which a special enclosure is provided, (and so far as the Chamber are aware there have not been any complaints that such special enclosure is overcrowded, and business delayed) and pitch, tar, kerosine oil, &c. which are not allowed to come into the Custom House yards at all.

It seems to the Chamber that the Board's argument would rather justify an increase to the Custom House accommodation than a refusal to afford such facilities to the trade of this port as the Chamber have ventured to demand. In view of the completion of the harbour, and a probable further increase of trade, the Chamber trust that the Board of Revenue may be pleased to reconsider their decision.

I have, &c.

A. MACKENZIE,
Chairman.

Sea Customs Collector's Office, Madras, 11th March 1879.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter dated 12th February 1879, which was submitted to the Board of Revenue for their orders, I have the honor to inform you that the Iron-yard has been frequently overcrowded, and the Board have on this ground stated, in their Proceedings dated 8th March 1879, No. 631, that they see no reason to reconsider their decision.

I have, &c.

R. J. MELVILLE,
Collector of Sea Customs.

EE.

PETTY SAVINGS FUND.

Proceedings of the Madras Government, Financial Department, dated 3rd December 1879.

Read the following :—

In pursuance of the idea of adopting in India some system of loans resembling the United States "Refunding Certificates," the following scheme has been laid before the Government of India, and is made public with the view of inviting the opinions of financial authorities and persons

acquainted with the habits and needs of the mass of people:—

Petty Savings Fund.

1. The primary object of the Fund is to afford to agriculturists, and to the poorer classes of non-agriculturists, a mode of investment of their savings more profitable to themselves and the community at large, than the hoarding of coin or ornaments, depositing with small bankers, and petty private money-lending now usually resorted to. Should the Fund attain extensive development, the advantages of diminution of sterling loans or rupee loans fed by Funds from Europe, as also of drawing forth the latent capital of the Indian people, will be proportionally promoted.

2. The "Government Paper" issued for the Fund will be of two kinds, Certificates and Notes.

3. Certificates will be of three denominations, Rs. 12½, Rs. 25, and Rs. 50. They will be sold at convenient centres, at prices to be fixed from time to time, but, at present, for Rs. 12-1, Rs. 24-2, and Rs. 48-4 respectively. The odd annas will go to the vendor as commission, and the State will consequently receive at present at the rate of 96 per cent.

4. Interest will accrue on Certificates at the rates of 8 pies, 1 anna 4 pies, and 2 annas 8 pies a month for the three denominations respectively. It will be paid after two years only, on presentation of the Certificate, which will then be withdrawn, and a new one substituted.

5. Certificates will be transferable from hand to hand without endorsement or any other formality whatever, the purchaser, presumably, paying to the vendor the interest accrued to date of transfer.

6. Notes will be of two denominations, Rs. 100 and Rs. 250, and will be issued, at the rate of 96 per cent., or in exchange for Certificates. Ten half-yearly coupons will be attached to each new Note, representing interest at four per cent. per annum on the nominal value thereof. Interest will be paid accordingly, on presentation of each coupon after the expiration of the half-year to which it relates. On the expiration of five years, if the Note has not been advertised for

discharge, a new Note with fresh coupons will be exchanged for it.

7. Certificates and Notes will bear the conditions of them stated clearly in the vernacular language used officially in the locality of issue. Interest will be paid on Certificates and Notes, and Notes will be issued and exchanged at any Tahsildar's (Mamlatdar's) Treasury where the vernacular language of the Certificate or Note is the language in official use.

8. Certificates and Notes not to be paid off for twenty years at least.

9. Certificates or Notes may be converted into Stock or Book Debt like any other Government Securities. Certificates, Notes or Stock may be deposited with the Goverment as security for land revenue, and the interest thereon will thereupon be credited annually to the land revenue account of the depositor.

Forwarded for the early remarks of the Government of Madras.

Simla, 22nd Nov. 1879. R. B. CHAPMAN,
Secretary.

ORDER THEREON, 3rd December 1879, No. 2,252.

Forwarded to the Board of Revenue, the Chairman of the Chamber of Commerce and the marginally noted gentlemen, for favor of remarks and opinion.

A. Mackenzie, Esq.
J. C. Shaw, Esq.
R. C. Walker, Esq.

2. The Board of Revenue will consult some selected officers on the subject.

C. G. MASTER,
Acting Chief Secretary.

Chamber of Commerce, Madras, 24th December 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—The Chamber of Commerce have had under consideration the Proceedings of the Madras Government, Financial Department, dated 3rd December 1879, together with the en-

closed memorandum on the proposed formation of a petty Savings Fund for the benefit of the poorer classes of agriculturists.

The Chamber see no objection to a trial of this scheme, though they do not anticipate that it will prove successful. It is observed that the rate of interest offered is not that which is ordinarily current in the country; and it is probable from the known habits of the natives that they would prefer to retain their capital in some tangible form, in the shape of coin or jewels, to holding its equivalent in a piece of Government paper which would be payable to bearer, and which might be easily lost or destroyed.

I have, &c.

P. MACFADYEN,
Chairman.

FF.

REGISTRATION OF TRADE MARKS.

Proceedings of the Madras Government, Judicial Department, dated 16th June 1879.

Read the following paper:—

From D. FITZPATRICK, Esq., Secretary to the Government of India, Legislative Department, to the Acting Chief Secretary to Government, dated Simla, 31st May 1879, No. 595.

I am directed to forward herewith twenty copies of the papers noted on the margin, and to request that His Excellency the Governor in Council will favor the Government of India in this department with an expression of his opinion on the provisions of the Bill.

Bill to provide for the registration of Trademarks.
Statement of Objects and Reasons on the above Bill.

2. I am also to request that the Bill and Statement may be published in the *Fort St. George Gazette* in English and in such other languages as His Excellency in Council may deem

proper, and that the dates of such publication may be communicated in your reply.

3. The reply to this letter should be sent in by the 1st September 1879.

ORDER THEREON, 16th June 1879, No. 1,398.

His Grace the Governor in Council directs that the Honorable the Judges of the High Court, the Advocate-General, the Chamber of Commerce, and the Trades Association be requested to offer their remarks on the Bill to provide for the registration of trade-marks. All communications should be forwarded before the 1st August 1879.

2. The Superintendent of the Gazette Press will be directed to publish the Bill in the *Fort St. George Gazette* at an early date.

3. The subject-matter of the Bill being as yet one in which the native population of this Presidency is not interested, it is not necessary that the Bill should be translated into any vernacular language.

C. G. MASTER,
Acting Chief Secretary.

STATEMENT OF OBJECTS AND REASONS.

This Bill has been prepared, at the request of the Government of Bombay, to meet the wishes of the Mill-owners Association and the Bombay Chamber of Commerce. Both these bodies call the attention of the Local Government to the provisions of the English Trade-marks Registration Acts of 1875 and 1876 (which have been held by the High Court of Bombay not to apply to India), and state that it seems desirable, having regard to the increase of manufactures in this country, and especially of the cotton-manufactures of Bombay, that there should be a law of a similar nature in India.

2. The Bill is nothing more than a reproduction, with the changes required to fit them to the different circumstances of this country, of the provisions of the Statutes 38 and 39 Vic., chapter 91 (An Act to establish a register of Trade-marks), and 39 and 40 Vic., chapter 33 (An Act for the amendment of the Trade-marks Registration Act, 1875). It seems desirable (more especially in the case of laws dealing with large commercial interests), when the object of one of our Acts is merely to extend the provisions of an Imperial Statute to this country, to follow closely the lines of such Statute, so as to make the law in this country as nearly as possible identical with that in England.

3. The Bill provides for the appointment of a Registrar and the registration of trade-marks, and enacts that, after a certain fixed date, no suit shall be brought for the infringement of a trade-mark, unless such trade-mark is registered in accordance with the provisions of the Bill; it further defines the essential particulars of which a trade-mark must hereafter consist; but it saves from the operation of these provisions the trade-marks which are at present in use and entitled to protection as such. The other provisions of the Bill are subsidiary to these, and the only one of them calling for notice here is that by which the High Court at Fort William is appointed the Court for the purposes of the Act. As it is understood that the registry-office will be situate at Calcutta (where alone proprietorship in copyright and specifications of inventions are registered), that Court is obviously the most convenient one to appoint.

The 29th March, 1879. WHITLEY STOKES.

Chamber of Commerce, Madras, 22nd July 1879.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honor to inform you that the Proceedings of Government, Judicial Department, dated 16th ultimo, No. 1,398, together with the accompanying Draft Bill for the registration of trade-marks, have been duly considered by the Chamber.

I am desired to state that while the Chamber approve of the principle of this Bill, they do not think the time has arrived when the trade-marks to be registered will be sufficient to justify the new Department and the new appointment which the Bill proposes to create. Patents are now registered in the office of the Chief Secretary, and the Chamber see no reason why trade-marks should not be similarly registered in that office.

I have, &c.,

P. MACFADYEN,
Chairman.

RULES AND REGULATIONS

OF THE

MADRAS CHAMBER OF COMMERCE.

1st. That the Madras Chamber of Commerce is formed with a view to watch over and protect the interests of Trade; to receive and collect information on all matters of mercantile interest, bearing upon the removal of grievances and the promotion of the common good; to communicate with authorities and with individual parties thereupon; to receive references on matters of custom or usage in doubt or dispute, deciding on the same, and recording the decision made for future reference: and to form by that and other means a code of practice, whereby the transactions of business by all engaged in it may be simplified and facilitated.

2nd. That all merchants, and other persons engaged in the general trade of Madras, be eligible as Members.

3rd. That persons desirous of joining the Chamber shall be proposed by one Member and seconded by another. Notice of the same shall be entered in the Ballot Book, and circulated among the Members, and the election shall be made by ballot at the first general meeting of the Chamber held after the expiry of one month from the date of the notice, a majority of two-thirds of those voting at the meeting being necessary for admission.

4th. That voting by proxy be not allowed, nor by parties whose subscriptions shall be in arrears.

5th. That the power of expulsion be reserved to the Chamber, to be decided by ballot by a majority at a general meeting.

6th. That the executive duties of the Chamber shall be conducted by the Chairman with the assistance of the Committee, and that all matters of importance be referred for the decision of the general body of subscribers, who shall be called together as often as is necessary by the Chairman, but not less frequently than once a month.

7th. That the Chairman shall on all occasions have a casting vote in addition to his own as a Member of the Chamber.

8th. That every Member on election shall pay an entrance fee of Rupees 100.

9th. That the subscription be fixed at Rupees 160 per annum, payable quarterly in advance. Absentees in Europe to pay no subscription.

10th. That if any Member allow his subscription to the Chamber to fall into arrears for more than one quarter without sufficient reason, his name shall be expunged from the list.

11th. That the funds be paid as realised into the Treasurers' Bank, and that when exceeding one thousand rupees they be invested in Government Paper.

12th. That the ordinary expenditure be at the discretion of the Chairman; and that extraordinary expenditure be made by him with the sanction of the Sub-Committee.

13th. That an annual general meeting be held on the second Monday of December, or as near thereto as convenient, at which the Treasurers's account shall be submitted, and the Chairman for the following year shall be elected; the retiring Chairman becoming Vice-Chairman. In case of the Chairman's re-election, a new Vice-Chairman shall be elected. The Vice-Chairman shall conduct the duties of Chairman during the absence of the latter.

14th. The special general meetings may be convened on the requisition of the Chairman, or of any three Members of the Chamber, not being members of the same firm—notice of the subject of discussion to be given in the requisition calling the meeting.

15th. That at the annual general meeting of the Chamber, a Committee of not less than seven Members, including the Chairman and Vice-Chairman, shall be elected to assist the Chairman in the disposal of the business of the Chamber. Two members of the same firm may not be on the Committee.

16th. That a fee of 15 Rupees shall accompany all references to the Chamber.

17th. That in event of any Member of the Chamber taking the benefit of the Act for the Relief of Insolvent Debtors, he shall thereby cease to be a Member of the Chamber, but will be eligible for re-election without the repayment of the entrance donation.

MADRAS TONNAGE SCHEDULE.

SANCTIONED BY THE CHAMBER OF COMMERCE.

ARTICLES.	To the Ton.
Aloes, in bags ...	...20 cwt.
Do in boxes ...	...20 „
Alum ...	...20 „
Anniseed ...	... 8 „
Arrow-root, in cases	...50 feet.
Assafœtida, in bags	...20 cwt.
Do in boxes	...20 „
Apparel ...	...50 feet.
Bark, in bags ...	... 8 cwt.
Barilla ...	...20 „
Bees' Wax ...	...20 „
Betel-nut ...	...18 „
Books ...	...50 feet.
Borax or Tincal...	...20 cwt.
Do in cases ...	...50 feet.
Brimstone ...	...20 cwt.
Bullion ...	...At per cent.
Cake Lac, in bags	...16 cwt.
Camphor, in cases	...50 feet.
Cardamoms, in robbins	... 8 cwt.
Do in boxes	...50 feet.
Do in bags	...10 cwt.
Cassia, all sorts ...	...50 feet.
Castor Seed ...	...15 cwt.
Chillies, in bags...	...12 „
Do in robbins	...14 „
China Root, in bags	...11 „
Do in boxes	...50 feet.
Chiretta ...	...50 „
Cigars ...	...50 „
Cloves, in bags ...	... 8 cwt.
Do in chests	...50 feet.
Coals ...	...20 cwt.
Cochineal ...	...50 feet.
Coffee, in bags ...	...18 cwt.
Do in robbins & casks	...16 „
Do in cases ...	...17 „
Coir Yarn & Fibre, screwed bls	50 feet.
Do bdls. & dhls.	...10 cwt.
Coriander Seed ...	...12 „
Cotton, in bales...	...50 feet.
Do Piece Goods	...50 „
Cowries ...	...20 cwt.
Cutch, in bags ...	...17 „

ARTICLES.	To the Ton.
Dates, wet ...	...20 cwt.
Do dry ...	...16 „
Dholl ...	...20 „
Elephants' Teeth, in bulk.	16 „
Do in cases.	.50 feet.
Fennigarick Seed	...16 cwt.
Furniture ...	...50 feet.
Garlic and Onions	...12 cwt.
Ginger, in bags or bales	...12 „
Do in cases...	...50 feet.
Gingelly Seed ...	...17 cwt.
Gram ...	...20 „
Ground Nuts, in shell	...12 „
Do shelled	...16 „
Gums, cas., not enumerated	50 feet.
Gunny Bags ...	...50 „
Do Cloth ...	...50 „
Gunjah ...	...50 „
Hemp, in bales ...	...50 „
Hides ...	...14 cwt.
Hoofs, Horn Shavings, and Tips ...	...20 „
Horns, Cow and Buffalo	...20 „
Do Deer ...	...16 „
Indigo ...	...50 feet.
Jute, in bales ...	...50 „
Lac Dye ...	...50 „
Lard ...	...50 „
Linseed ...	...18 cwt.
Mace, in case ...	...50 feet.
Machinery ...	...20 cwt.
Metals ...	...20 „
Myrabolams ...	...17 „
Molasses ...	...20 „
Mother O'Pearl, in bags	...20 „
Do in chests.	..20 „
Munjeet ...	...50 feet.
Mustard Seed ...	...18 cwt.
Niger Seed ...	...17 „
Nutmegs, in chests	...50 feet.
Nux Vomica, in bags or cas.	.16 cwt.
Oats ...	...12 „
Oil, in cases ...	...20 „
Do in casks ...	210 imp. gals.

Articles.	To the Ton.
Olibanum ...	...18 cwt.
Paddy, in bags ...	...15 „
Pease ...	...20 „
Pepper, in bags ...	...16 „
Planks and Deals	...50 feet.
Poppy Seeds ...	...15 cwt.
Putchuk ...	...10 „
Rape Seed ...	...18 „
Raw Silk, in bales	...10 „
Rattans ...	.. 20 „
Redwood (for Dunnage)	...20 „
Rhea, in bales ...	...50 feet.
Rice, in bags ...	...20 cwt.
Roping, in coils...	...50 feet.
Do lines and twines, in bundles ...	...14 cwt.
Do coir, in coils	...10 „
Rum, in casks	...210 imp. gals
Safflower, in bales	...50 feet.
Sago, in cases ...	...50 „
Sal Ammoniac, in bags	...15 cwt.
Do in cases	...50 feet.
Saltpetre ...	...20 cwt.
Salt ...	...20 „
Sapan Wood ...	...20 „
Shark's Fins ...	...16 „
Sealing Wax, in cases	...50 feet.
Seed Lac, in cases	...50 „
Seed Lac, in bags	...16 cwt.
Senna, in bales ...	...50 feet.
Sarsaparilla ...	...50 „
Shells, rough, in bags	...20 cwt.
Shell Lac, in cases	...50 feet.
Do in bags	...16 cwt.
Silk Piece Goods	...50 feet.
Skins ...	...50 „
Soap, country, in cases	...50 „
Do in bags	...15 cwt.
Do in bars	...20 „
Stick Lac, in cases	...50 feet.
Do in bags	...16 cwt.
Sugar, in bags ...	...20 „
Tallow, in cases or casks	...20 „
Talc ...	...20 „
Tamarind, in cases or cks	...20 „
Tapioca ...	...50 feet.
Tea, in chests ...	...50 „
Timber ...	...50 „
Tobacco, in bales	...50 „
Tortoiseshell, in chests	...50 „
Turmeric, in bags	...14 cwt.
Wheat ...	...20 „
Wool, in bales ...	...50 feet.
All other articles not enumerated, in bales or cases	...50 „

Rule.—The articles mentioned in the margin are to be measured before shipment, at the Press, Godown, or on the Beach, at the option of the Shipper, and the measurement is to be entered on the face of the Bill of Lading. In measuring, the Callipers are to take in the Rope, or Iron Hoop, on the one side of the bale, and leave it out on the other. Half inches are to be given and taken alternately. Ten bales per cent, as a maximum are to be measured, moiety to be chosen by the Shipper and moiety by the ship; and in the event of any dispute arising, the Bales are to be measured by a Surveyor to be appointed by the Chamber of Commerce. The Surveyor's decision to be final, and his Fee to be Five Rupees, one half to be borne by each party. All other goods to be measured at Port of Discharge.

Coir in bales, Cotton, Gunjah, Hemp, Jute, Munjeet, Senna Leaf, Wool, and Sarsaparilla.

Madras, 1*st January* 1875.

RATES OF AGENCY AND COMMISSION.

As revised by the Chamber of Commerce, and recommended for general approval and adoption.

	Per cent.
On the total amount of payments and receipts of an account, excepting sums on which a higher Commission has been previously charged, and sums paid for Bills of exchange on England drawn by the Agent	...Half.
On purchasing or selling Bills of Exchange	...One.
On subscriptions to Government loans, purchasing, selling, transferring or exchanging Public Securities and Bank Shares	...Quarter.
On obtaining enfacement of Government Promissory Notes	...One-Eighth.
On delivering up Public Securities, or lodging them in any of the Public Offices ...	...Quarter.
On negotiating or renewing a loan or cash credit at the Bank of Madras, or elsewhere ...	...Half.
On receiving and delivering Private commissions of Goods and Merchandise	...Two & a Half.
On charge of House Property and collection of Rents	...Five.
On letters of Credit granted	...One.
On the management of Estates for Executors or Administrators, or on becoming Security for Administrators	...Two & a Half.
On debts, when process of Law or Arbitration is necessary	do
If recovered by such means...	...Five.
On Bills of Exchange, Notes, &c., dishonored	...One.
On overdue debts collected	...Two & a Half.

	Per cent.
On all sales or purchases of Goods... ...	...Five.
With the following exceptions :—	
On Houses, Lands, and Ships	...Two & a Half.
On Diamonds, Pearls, and Jewellery	do
On Treasure and Bullion	...One.
On all Goods and Mercandise withdrawn, shipped or delivered to order.	Half Commission.
On all other descriptions of property for sale, if withdrawn or otherwise disposed of by the owners.	
On Goods transferred to Auction or Commission Salesmen.	
On investing Proceeds of Sales in Goods ...	...Two & a Half.
On guaranteeing Sales, Bills, Bonds, Contracts for Goods, or other Engagements	do
On Ship's Disbursements	do
On Ship's disbursements, when no outward Commission on Freight or passage Money is earned	...Five.
On Chartering Ships or engaging Tonnage for other Parties	...Two & a Half.
On the amount of Freight or passage Money earned by ships, by charter or otherwise, whether the same shall pass through the Agent's hands or not	...Five.
When the commission of $2\frac{1}{2}$ per cent. on the Inward Freight, paid at home or in Madras, does not in the case of steamers via the Suez Canal exceed Rs. 100, then that sum shall be charged	
On effecting Insurance, whether on Lives or Property...	...Half.
On settling Insurance claims, losses and averages of all classes, whether on lives or property and on recoveries of returns of Premium	...Two & a Half.

Per cent.

On negotiating Bottomry or Respondentia Bond ...Two & a Half.

On attending the delivery of Contract Goods ...Two.

On receiving Passage Money by Ships entered inwards ... ...One.

On realizing Freights ... ...Two & a Half.

On arranging and superintending the transhipment of Cargo, on the amount of Freight so re-engaged ... ...Five.

On the management of Vessels chartered elsewhere for the conveyance of Coolies or Troops, on amount of Passage Money ... ...Two & a Half.

For acting in the capacity of Trustee, on the income of the Trust Fund ... ... do

On landing and re-shipping goods from any Vessel in distress, or on landing and selling by auction damaged Goods from any such Vessel, and acting as Agent for the Master on behalf of all concerned, on the declared value of all such Goods as may be re-shipped, and on the net proceeds of all such Goods as may be publicly sold ... ...Two & a Half.

That brokerage at the rate of ½ (half) per cent. be an accepted charge on all freight... ...

[*Additions on the* 1*st January* 1877.]

When the freight is payable in sterling, the commission shall be calculated on the sterling amount at the following rates for Bank Bills, viz., at the rate for 6 months' sight Bank Bills, when the freight is by sailing ships, and at the rate for 3 months' sight Bank Bills when by steamer.

On ships leaving the Port in ballast, which have been consigned inward, upon the English net registered tonnage, 6 annas per ton.

On steamers leaving the Port in ballast, which have been consigned inward, upon the English net registered tonnage, 8 annas per ton.

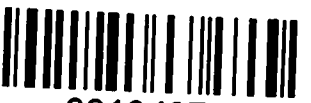
On ships leaving the Port in ballast, which have been consigned inward and outward, upon the English net registered tonnage, 12 annas per ton.

On steamers leaving the Port in ballast, which have been consigned inward and outward, upon the English net registered tonnage, Rupee 1 per ton.

When the amount on which commission is payable is stated in Rupees, the commission shall be calculated in that currency, and when in sterling, at the rate provided for under the Rule which fixes the rate "on procuring freight."

With respect to a steamer or sailing vessel partially discharged, which does not return to this port for cargo on her homeward voyage, the rate shall be 8 annas a ton on every ton discharged, provided the total amount exceeds Rs. 100, failing which, Rs. 100 shall be charged.

The conversion into Indian currency of sterling freight payable in Madras shall, unless otherwise stipulated, be made at the rate for Bank Bills on London payable on demand; and the rate ruling at the close of a Mail, shall be the rate applicable to such purpose during the subsequent week.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REPORT

OF THE

PROCEEDINGS OF THE

MADRAS CHAMBER OF COMMERCE.

JANUARY TO DECEMBER

1879.

MADRAS:

PRINTED AT THE "MAIL" STEAM PRESS BY J. [illegible] GALE.

1880.